

**AGENDA**  
**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
Thursday, March 18, 2010, at 9:00 a.m.  
State Capitol Building, Room 137  
Helena, MT

**ACTION ITEMS**

**310-0      FWP: FISH CREEK ACQUISITION**

Benefits: N/A

Location: Mineral County

**APPROVED 5-0**

**310-1      ~~DPHHS: REQUEST FOR PRELIMINARY APPROVAL FOR THE SALE OF LAND~~**  
**~~AND UTILITY EASEMENT AT WARM SPRINGS~~ (POSTPONED UNTIL APRIL LAND BOARD MEETING)**

~~Benefits: N/A~~

~~Location: Deer Lodge County~~

**310-2      OTTER CREEK BID**

Benefits: Common Schools

Location: Powder River County

**APPROVED 3-2 to lease the Otter Creek tracts to Ark Land Co. for a bonus bid of \$85,845,110 (Ms. Juneau and Mr. Bullock dissenting).**

Attorney General Bullock exited the meeting following the Otter Creek vote and was absent for 310-3 through 310-12.

**310-3      TIMBER SALES:**

**A. CRAZYMEN**

Benefits: Common Schools

Location: Lincoln County

**APPROVED 4-0**

**B. JIM BEAVER**

Benefits: Common Schools and Public Buildings

Location: Lincoln County

**APPROVED 4-0**

**C. TROUT CREEK SALVAGE**

Benefits: Common Schools

Location: Granite County

**APPROVED 4-0**

**D. WHITE CLIFFS**

Benefits: Common Schools

Location: Lake County

**APPROVED 4-0**

**310-4      OIL AND GAS LEASE SALE (MARCH 2, 2010)**

Benefits: Common Schools, MSU 2<sup>ND</sup>, State Industrial Schools, and Public Buildings

Location: Big Horn, Blaine, Cascade, Daniels, Dawson, Fergus, Lewis and Clark, McCone, Phillips, Powder River, Richland, Roosevelt, Sheridan, Teton, Toole, and Yellowstone Counties

**APPROVED 4-0**

**310-5      PRELIMINARY APPROVAL FOR LAND BANKING PARCEL**

Benefits: Common Schools

Location: Powell County

**APPROVED 4-0**

- 310-6     **FINAL APPROVAL FOR SALE OF LAND BANKING PARCELS:**  
            **A. MEAGHER COUNTY**  
            Benefits: Common Schools  
            Location: Meagher County  
            **APPROVED 4-0**  
            **B. POWELL COUNTY**  
            Benefits: Common Schools  
            Location: Powell County  
            **APPROVED 4-0**
- 310-7     **ADMINISTRATIVE RULES PROPOSAL: OIL AND GAS LEASES**  
            Benefits: N/A  
            Location: N/A  
            **APPROVED 4-0**
- 310-8     **EASEMENTS:**  
            Benefits: Common Schools and Montana Tech  
            Location: Carter, Fergus, Park, and Powder River Counties  
            **APPROVED 4-0**
- 310-9     **QUIET TITLE: WILSON AND ARNDT SETTLEMENT AGREEMENT,**  
            **STATE OF MONTANA V. AABCO INVESTMENTS ET. AL, CAUSE NO. DV-06-52, 7<sup>TH</sup>**  
            **JUDICIAL DISTRICT COURT**  
            Benefits: Common Schools  
            Location: Richland County  
            **APPROVED 4-0**
- 310-10    **COMMUNITIZATION AGREEMENT: XTO ENERGY**  
            Benefits: Common Schools  
            Location: Richland County  
            **APPROVED 4-0**
- 310-11    **LAND BOARD RESOLUTION: TO IMPLEMENT MANAGEMENT RESTRICTIONS**  
            **UPON STATE LANDS LOCATED IN THE NORTH FORK OF THE FLATHEAD RIVER**  
            **BASIN**  
            Benefits: N/A  
            Location: North Fork of the Flathead Basin  
            **APPROVED 3-1 (Ms. Lindeen dissenting)**

#### **INFORMATION ITEM**

- 310-12    **WHITEFISH AREA REVENUE, RECREATION, AND CONSERVATION PROJECT**  
            Benefits: Common Schools, MSU 2<sup>nd</sup> Grant, MSU Morrill, Public Buildings, School for  
            the Deaf and Blind, School of Mines, and State Normal School  
            Location: Flathead County

#### **PUBLIC COMMENT**

**LAND BOARD MEETING SIGN-IN SHEET**  
**March 18, 2010**

NAME	AFFILIATION	E-MAIL	Check to be added to the interested parties list.
JIM ATCHISON	SEMDC	semcdc@bhwi.net	✓
Dan McDowell	Powder River Co		
Dave Thompson	Pisota Pipeline	dmtom08@comcast.net	
Jim Larsen	Bradley Schools		
Mike Cornell	Miles City EDC	mikescon@midrivers.com	
DON SCHILLINGER	Baker Public Schools	schilld@baker.k12.mt.us	
Julie E. Korkow	Powder River Co.	julie@semcdc.org	✓
Randy Shannon	Powder River Co.	ra.shannon@rangeclub.net	
JACK REGAN	Miles City Sch. Dist	jregan@milescty.k12.mt.us	
Dave Shreeve	Forsyth Sch. Dist.	dshreeve@forsyth.k12.mt.us	✓
Tom Hoxad	Calvin	thh@gsjw.com	
Beth Kaeding	Northern Plains Resource Council	Kaedingl@aol.com	
MIKE GREEN	Crowley Fleck	mgreen@crowleyfleck.com	
David Finnerly	Ark Land		
Steve Ruffatto	Crowley Fleck		
Harry Cheff	Colestrip Schools	hcheff@colestrip.k12.mt.us	
CLINT WISPER	DECKER SIX OUTCUTS		✓
BRAD SAUER	NPRC	bsauer@midrivers.net	✓
Kyla Wiens	MEIC	kwiens@meic.org	
DAN LAY, M. LAY		D.Lay@MT.Gov.	
SARA ANDERSON		sara.anderson@umontana.edu	
BOB GUNFOYER	UMWA	umwamener@hotmail.com	—
Bob Adams	MCV	badams811@gmail.com	
Jim Whealon	Jefferson Hi. School	Jim.Whealon@jhs.k12.mt.us	

Contact Lucy Richards at [lrichards@mt.gov](mailto:lrichards@mt.gov) or indicate on this sign-in sheet if you would like to be placed on the monthly agenda distribution list.

**LAND BOARD MEETING SIGN-IN SHEET**  
**March 18, 2010**

NAME

## AFFILIATION

E-MAIL

*Check to be added to the interested parties list.*

[illegible]

**March 18, 2010**

**E-MAIL**

*Check to be added to the interested parties list.*

[illegible]

Otter Creek Leasing  
March 18, 2010  
Land Board

Otter Creek coal tracts, covering 9,543 acres in southeast Montana, comprise original school trust lands and coal interests conveyed to the State of Montana in 2002. Over the last eight years, the Department has entered into an agreement with the Northern Cheyenne tribe, procured an analysis of the resource values, and acquired an appraisal of the tracts. In November, the Department presented a draft bid document to the Board, and in December, the Land Board directed the Department to advertise the lease of the tracts at a minimum bonus bid of \$.25 per ton. Please refer to Land Board agenda items [1109-6](#) and [1209-10](#). No qualified bids were received by the February 9<sup>th</sup> deadline.

At the February meeting, the Land Board directed the Department to set the minimum bid at \$0.15 per ton and advertise the lease package with a deadline of March 16<sup>th</sup> at 5:00 p.m. One qualified bid was received by the deadline. Ark Land Company of St. Louis, Missouri, a subsidiary of Arch Coal, offered a bonus bid of \$85,845,110.

The Department recommends that the Land Board accept the Ark Land Company bid and approve the lease package as presented at the February 2010 Land Board meeting.

State of Montana  
COAL LEASE

DS-459  
Amended **DRAFT**

No. \_\_\_\_\_

THIS LEASE is made and entered into between the State of Montana, by and through its lawfully qualified and acting Board of Land Commissioners, hereinafter referred to as “Lessor”, and

<Lessee Name and Address>

hereinafter referred to as “Lessee”, under and pursuant to the authority granted Lessor by the terms and provisions of Title 77, Chapter 3, Part 3, MCA, and all acts amendatory thereof and supplementary thereto, and all rules adopted pursuant thereto.

IT IS MUTUALLY UNDERSTOOD, AGREED AND COVENANTED BY AND BETWEEN THE PARTIES TO THIS LEASE AS FOLLOWS:

**1. GRANTING CLAUSE.** The Lessor, in consideration of the rents and royalties to be paid and the conditions to be observed as hereinafter set forth, does hereby grant and lease to the Lessee, for the purpose of mining and disposing of coal and constructing all such works, buildings, plants, structures and appliances as may be necessary and convenient to produce, save, care for, dispose of and remove said coal, and for the reclamation thereafter, all the lands herein described as follows:

Land Located in: \_\_\_\_\_ County:

Description of land:

Total number of acres, more or less, \_\_\_\_\_, belonging to \_\_\_\_\_ Grant.

All rights granted to Lessee under this Lease are contingent upon Lessee’s compliance with the Montana Strip Mine Siting Act and the Montana Strip and Underground Mine Reclamation Act (Title 82, Chapter 4, Parts 1 and 2, MCA) and upon Lessor review and approval of Lessee’s mine operation and reclamation plan. The rights granted under this Lease are further subject to agency responsibilities and authority under the provisions of the Montana Environmental Policy Act.

**2. EFFECTIVE DATE AND TERM.** This Lease takes effect on <Lease Effective Date> and is granted for a primary term of ten (10) years and so long thereafter as coal is produced from such lands in commercial quantities, subject to all of the terms and conditions herein set forth. A lease not producing coal in commercial quantities at the end of the primary term shall be terminated, unless the leased lands are described in a strip mine permit issued under Section 82-4-221, MCA, or in a mine site location permit issued under Section 82-4-122, MCA, prior to the end of the primary term, and the lease shall not be terminated so long as said lands are covered and described under valid permit.

**3. LEASE EXTENSION.** The Board of Land Commissioners may grant reasonable extensions of the primary term of this Lease upon a showing that Lessee, despite due care and diligence, is or has been directly or indirectly prevented from exploring, developing, or operating this Lease or is threatened with substantial economic loss due to litigation regarding this Lease or another lease in the same strip mine permit or mine site location permit held by the Lessee, state compliance with the Montana Environmental Policy Act, or adverse conditions caused by natural occurrences.

**4. RIGHTS RESERVED.** Lessor expressly reserves the right to sell, lease, or otherwise dispose of any interest or estate in the lands hereby leased, except the interest conveyed by this Lease; provided, however, that Lessor hereby agrees that subsequent sales, leases or other dispositions of any interest or estate in the lands hereby leased shall be subject to the terms of this Lease and shall not interfere with the Lessee's possession or rights hereunder.

**5. BOND.** Lessee shall immediately upon the execution of this Lease furnish a surety bond in the amount of \$2,000, conditioned upon compliance with the provisions of this Lease, or, in the option of the Lessor, a cash deposit in the amount of \$2,000, or an irrevocable letter of credit in a form approved by Lessor drawn upon an approved bank in the same amount. All rentals, royalties and interest must be paid and all disturbance must be reclaimed to the satisfaction of Lessor prior to release of any bond. Additional bonding may be required, or reduced bonding allowed, whenever Lessor determines it is necessary, or sufficient, to ensure compliance with this Lease.

**6. RENTAL.** Lessee shall pay Lessor annually, in advance, for each acre or fraction thereof covered by this Lease, beginning with the date this Lease takes effect, an annual money rental of \$3.00 per acre. Rental terms are subject to readjustment as provided in Paragraph 8, but in no case shall it be less than two (2) dollars per acre.

**7. ROYALTY.** Lessee shall pay Lessor in money or in kind at Lessor's option a royalty on every short ton (2,000 pounds) of coal mined and produced during the term of this Lease, calculated upon the f.o.b. mine price of the coal prepared for shipment, including taxes based on production or value. Lessee shall pay a royalty of 12.5 % upon coal removed by strip, surface, or auger mining methods and a royalty of 10% for coal removed by underground mining methods. Royalty terms are subject to review and readjustment as provided in Paragraph 8, but in no case shall the royalty for the coal mined be less than ten (10) percent of the f.o.b. price of a ton prepared for shipment.

**8. READJUSTMENT OF RENTAL AND ROYALTY TERMS.** The Lessor reserves the right to readjust the rental and royalty terms of this Lease to reflect fair market value at the end of the primary term of ten (10 years) and at the end of each five (5) year period thereafter if the lease is producing coal in commercial quantities.

**9. OFFSETTING PRODUCTION.** The obligation of Lessee to pay royalties under this Lease may be reduced by the Board for coal produced from any particular tract within the Lease upon a showing by Lessee to the Board that the coal is uneconomical to mine at prevailing market prices and operating costs unless Lessor's royalty is reduced. Under no circumstances may Lessor's royalty be reduced below ten (10) percent of the coal produced and sold f.o.b. the mine site, prepared for shipment, including taxes based on production or value.

**10. LESSOR NOTIFICATION AND REPORTS.** Lessee shall notify Lessor prior to the commencement of any prospecting, exploration, development or production operations. As soon as any mining operations are commenced, Lessee shall submit to Lessor, on or before the last day of each month, a royalty report and payment covering the preceding calendar month, which report shall be in such form and include such information as Lessor shall prescribe. Upon request, Lessee shall also furnish to Lessor, reports, plats, and maps showing exploration data, development work, improvements, amount of leased deposits mined, contracts for sale and any other information with respect to the land leased which Lessor may require. Lessor's point of contact for all matters related to this Lease is:

Department of Natural Resources & Conservation  
Minerals Management Bureau  
P.O. Box 201601  
1625 Eleventh Avenue  
Helena, MT 59620-1601

Lessor will notify Lessee of any subsequent change in point of contact.

**11. INSPECTION.** Representatives of the Lessor shall at all times have the right to enter upon all parts of the leased premises for the purposes of inspection, examination, and testing that they may deem necessary to ascertain the condition of the Lease, the production of coal, and Lessee's compliance with its obligations under this Lease and to review the Lessee's records relating to operations upon and administration of the lease premises. Representatives of Lessor shall also, at all reasonable hours, have free access to all books, accounts, records, engineering data, and papers of Lessee insofar as they contain information relating to the production of coal under this Lease, the price obtained therefor, and the fair market value of the production. Lessor shall also have free access to agreements relating to production of coal under this Lease. Lessor may copy at its own expense any book, account, record, engineering data, papers, or agreements to which it has access pursuant to this paragraph.

**12. CONFIDENTIALITY.** Lessor agrees that Lessee may request any materials obtained by Lessor pursuant to this Lease be designated as confidential. Lessor shall agree to keep any information so designated strictly confidential if Lessor determines that confidentiality is not unlawful. Further, the parties agree that the information Lessee is obliged to provide pursuant to this Lease is only that information relating to the reasonable administration and enforcement by Lessor of the provisions of this Lease and state law.

**13. ASSIGNMENT.** This Lease may not be assigned without the prior approval of Lessor in writing. Assignments must be made in accordance with any statutes or administrative rules pertaining to assignments in effect at the time of assignment. Each Lessee executing this Lease, or accepting an assignment of an interest in this Lease, is jointly and severally liable for all obligations attributable to the entire working interest under this Lease. Assignments may not extend the expiration date of this Lease.

**14. CANCELCATION.** Lessee may surrender and relinquish this Lease by giving written notice to the Lessor at least thirty (30) days prior to the anniversary date of the Lease. It is understood and agreed that the Lessor hereby reserves the right to declare this Lease forfeited and to cancel the same through the Board of Land Commissioners upon failure of Lessee to fully discharge any of the obligations provided herein, after written notice from the Department and reasonable time fixed and allowed by it to Lessee for the performance of any undertaking or obligation specified in such notice concerning which Lessee is in default. Lessee, upon written application therefor, shall be granted a hearing on any notice or demand of the Department before the Lease may be declared forfeited or canceled.

**15. SURRENDER OF PREMISES.** Upon the termination of this Lease for any cause, Lessee shall surrender possession of the leased premises to Lessor, subject to Lessee's right to re-enter (1) for the purpose of removing all machinery and improvements belonging to Lessee, hereby granted at any time within six (6) months after the date of such termination, except those improvements as are necessary for the preservation of the deposit and access to the deposit, which improvements shall become the property of Lessor; and (2) for the purpose of complying with State and Federal laws adopted pursuant to the police power of State or Federal government. If any of the property of Lessee is not removed from the leased premises as herein provided, the same shall be deemed forfeited to Lessor and become its property.



**16. PROTECTION OF THE SURFACE, NATURAL RESOURCES, AND IMPROVEMENTS.** Lessee agrees to take such reasonable steps as may be needed to prevent operations from unnecessarily: (1) causing or contributing to soil erosion or damaging any forage and timber growth thereon; (2) damaging crops, including forage, timber, or improvements of a surface owner; or (3) damaging range improvements whether owned by Lessor or by its grazing permittees or lessees. The lessee shall not pollute or deplete surface or groundwater in excess of those impacts to water allowed by state or federal law or permit. Upon any partial or total relinquishment or the cancellation or expiration of this Lease, or at any other time prior thereto when required by Lessor and to the extent deemed necessary by Lessor, Lessee shall fill any sump holes, ditches and other excavations, remove or cover all debris, and, so far as reasonably possible, reclaim the disturbed area to a condition in keeping with the concept of the best beneficial use, including the removal of structures as and if required. Lessor may prescribe the steps to be taken and reclamation to be made with respect to the land and improvements thereon. Nothing in this section limits Lessee's obligation to comply with any applicable state or federal law, rule, regulation, or permit.

**17. TAXES.** Lessee shall pay when due all taxes lawfully assessed and levied upon improvements, output of mines, or other rights, property or assets of the Lessee.

**18. SUCCESSORS IN INTEREST.** Each obligation hereunder shall extend to, and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors and assigns of the respective parties hereto.

**19. COMPLIANCE WITH LAWS AND RULES.** This Lease is subject to further permitting under the provisions of Title 75 or 82, Montana Code Annotated. Lessee agrees to comply with all applicable laws and rules in effect at the date of this lease, or which may, from time to time, be adopted and which do not impair the obligations of this lease and do not deprive the Lessee of an existing property right recognized by law.

**20. WATER RIGHTS.** Lessee may not interfere with any existing water right owned or operated by any person. Lessee shall hold Lessor harmless against all claims, including attorney fees, for damages claimed by any person asserting interference with a water right.

**21. MINE SAFETY.** Lessee agrees to operate the mine in accordance with rules promulgated by the Mine Safety and Health Administration for the health and safety of workers and employees.

**22. WASTE PROHIBITED.** All mining operations shall be done in good and workmanlike manner in accordance with approved methods and practices using such methods to insure the extraction of the greatest amount of economically minable and saleable mineral, having due regard for the prevention of waste of the minerals developed on the land, the protection of the environment and all natural resources, the preservation and conservation of the property for future use, and for the health and safety of workers and employees.

**23. SURRENDER OF DATA.** All geological data pertaining to the leased premises, including reports, maps, logs and other pertinent data regarding trust resources shall be given to the Lessor upon surrender, termination, or expiration of the Lease. Lessor may refuse to release bond until surrender of such data to the Lessor. All drill core unused or undamaged by testing shall be saved. Upon surrender, termination, or expiration of the lease, Lessee shall contact the State Geologist, Montana Bureau of Mines and Geology, Butte, Montana, to determine if such drill core is of interest to the State Geologist for the drill core library. Any drill core determined by the State Geologist to be of interest shall be forwarded by Lessee, at Lessee's cost, to the drill core library.

**24. WEED CONTROL.** Lessee is responsible for controlling noxious weeds on the leased premises and shall prevent or eradicate the spread of noxious weeds onto land adjoining the leased premises in consultation with any local weed control board.

**25. SURFACE OWNER AND SURFACE LESSEE RIGHTS.** Lessee shall notify the surface owner, if the surface owner is not the Lessor, and any surface lessee of the location of any facilities or access roads on the leased premises prior to their construction.

**26. DAMAGES.** Where Lessor owns the surface estate above the leased premises, Lessee shall compensate Lessor or Lessor's surface lessees or permittees for all damages to authorized improvements on the leased premises, including penalties and charges assessed by the FSA on CRP lands, as a result of Lessee's prospecting, exploration, development or mining operations. All such damages will be assessed by and paid directly to the Lessor. Lessee shall also make all payments required by law to surface owners and lessees if Lessor is not the owner of the surface estate above the leased premises.

**27. INDEMNIFICATION.** The Lessee shall protect, defend, and save the Lessor, its agents and employees harmless from and against all claims, liabilities, demands, causes of action, and judgments (including the cost of defense and reasonable attorney fees) arising in favor of or asserted by third parties on account of damage to property, personal injury, or death, which injury, death or damage, in whole or in part, arises out of or in any way results from the negligent, wanton, or willful acts or omissions of the Lessee, its contractors, agents or subcontractors.

## **28. SPECIAL CONDITIONS.**

**A) DILIGENCE.** The Lessee hereby commits to a work program on the Otter Creek Area Coal Tracts with a minimum expenditure of \$2.0 million per lease year, for a period of five (5) years following the date this Lease takes effect, and at least \$500,000 per lease year thereafter. For the purposes of this Lease commitment, the Otter Creek Area Coal Tracts includes all State and non-State coal located within the areas identified as "Tract #'s 1, 2, and 3" on the attached Exhibit A. Within 120 days following the end of each lease year, the Lessee shall provide Lessor an accounting of Work (as later defined) performed on the Otter Creek Area Coal Tracts for such lease year. Any amount in excess of the minimum expenditure amount is referred to as the "Excess Amount" and any shortfall is referred to as the "Shortfall Amount." Within 120 days following the end of each lease year, the Lessee shall pay to Lessor the amount, if any, equal to the Shortfall Amount for such lease year, less the sum of the Excess Amounts for all prior lease years (to the extent such Excess Amounts have not been previously applied against a Shortfall Amount). For purposes of calculating the minimum expenditure, the Lessee may only include costs for work directly attributable to the Otter Creek Area Coal Tracts. Work to be performed on the Otter Creek Area Coal Tracts may include, without limitation, environmental baseline studies, exploration drilling, initiation of permitting and all permitting actions, acquisition of surface rights and access

rights over or to the Otter Creek Area Coal Tracts, title curative actions, market studies, compiling mine economics, preparation of feasibility studies and any other works, study or verifiable third party expense required to commence operations for the mining of coal on the Otter Creek Area Coal Tracts (collectively, the “Work”). The accounting of Work does not include payments made to non-State Lessors for shortfalls in work program expenditures. In the event any of the Work is conducted by Lessee’s employees, the actual verifiable salaries, wages and personal expenses of Lessee’s employees either temporarily or permanently assigned to the development and operation of the Otter Creek Area Coal Tracts may be included in the minimum expenditure. Lessee shall not include any internal overhead of any nature in calculating the minimum expenditure. If it is anticipated that the Work conducted by Lessee’s employees will exceed 50% of the minimum expenditure, the Lessee will seek Lessor’s approval for such amounts over 50%. In addition, taxes and assessments Lessee pays shall not be included in calculating the minimum expenditure. Copies of all analyses, data and other information produced or compiled as a result of Lessee’s work program on the Otter Creek Area Coal Tracts will be provided to Lessor within 120 days after the end of each lease year. However, such analyses, data and other information submitted to Lessor shall be subject to the confidentiality provisions of Paragraph 12 and 77-3-308, MCA.

**(B) SETTLEMENT AGREEMENT.** After the conclusion of any exploration operations and before conducting any mining, construction or other operations on any portion of the Otter Creek Area Coal Tracts (singly and collectively “Operations”), the Lessee or its agents in close consultation with the Northern Cheyenne Tribe (“Tribe”), shall develop and submit for approval to the Lessor, obtain Lessor approval of, and thereafter implement the five written Operating Plans as detailed in the attached Exhibit B of the Settlement Agreement dated February 19, 2002, between the Lessor and the Northern Cheyenne Tribe.

**29. NON-WARRANTY OF TITLE.** Regardless of any of the above provisions of this Lease, actual or implied, the State of Montana does not warrant title to its lands.

**IN WITNESS WHEREOF,** the parties hereto set their hands and Lessor has caused this agreement to be executed with the official seal of the State Board of Land Commissioners on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**THE STATE OF MONTANA**  
Lessor

<lessee name>  
Lessee

By Its State Board of Land Commissioners

By: \_\_\_\_\_

Its: \_\_\_\_\_

\_\_\_\_\_  
DIRECTOR

**MINUTES**  
**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
**Thursday, March 18, 2010, at 9:00 a.m.**  
**State Capitol Building, Room 137**  
**Helena, MT**

**PRESENT:** Governor Brian Schweitzer, Attorney General Steve Bullock<sup>1</sup>, Auditor Monica Lindeen, Secretary of State Linda McCulloch, and Superintendent of Public Instruction Denise Juneau.

**Ms. McCulloch moved for approval of the minutes from the February 16, 2010, meeting of the Board of Land Commissioners. Seconded by Mr. Bullock. Carried unanimously.**

**BUSINESS CONSIDERED**

**310-0      FWP: FISH CREEK ACQUISITION**

Paul Sihler, FWP, stated that FWP proposes to acquire 40,945 acres from the Nature Conservancy along Fish Creek. Public ownership will preserve recreational opportunities as well as facilitate the creation of a 33,295-acre wildlife management area (WMA), and 7650-acre state park. Funding for the project would come from Habitat Montana, Pittman-Robertson, and Access Montana funds. There has been tremendous support for this project, with over 70 people attending a meeting in Superior, and nearly 100 comments received. Concerns were raised regarding the footprint of the state park, as well as weed management. FWP reduced the proposed size of the park, and will undergo a multi-year planning process.

Denley Loge (St. Regis), expressed strong support for the project. Over eighty percent of Mineral County is public land. Plum Creek Timber Company was a good steward of the land while they owned it; however, there were concern that the lands would be developed once Plum Creek sold them. Allowing FWP's acquisition of the land will solve that problem and also ensure tax revenue for Mineral County.

**Motion made by Ms. McCulloch to approve the acquisition. Seconded by Ms. Juneau. Carried unanimously.**

**310-1      DPHHS: REQUEST FOR PRELIMINARY APPROVAL FOR THE SALE OF LAND AND UTILITY EASEMENT AT WARM SPRINGS**

*Postponed until the April 19, 2010, Land Board meeting.*

**310-2      OTTER CREEK BID**

Ms. Sexton stated that this is a continuation of the ongoing process toward leasing the state-owned Otter Creek coal tracts. In December the Land Board directed DNRC to offer the tracts for bid with a twenty-five cents per ton upfront bonus bid (see [December 21, 2009, Land Board minutes](#)). No qualified bids were received.

In February the Land Board directed DNRC to offer the tracts using the same bid package, with a fifteen cents per ton bonus bid (see [February 16, 2010, Land Board minutes](#)). DNRC received one qualified bid on March 16 from Ark Land Company (a subsidiary of Arch Coal), with the upfront bonus bid totaling \$85,845,110.

Bob Liston, Summit Independent Living Center (SILC) president, presented a letter from Dustin Hankinson (see *Related Materials, Attachment 1*), which expressed support for

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<sup>1</sup> Attorney General Bullock exited the meeting at the conclusion of 310-2.

the project so long as those funds were used to offset potential cuts made to the Department of Health and Human Services (DPHHS) budget.

Mr. Liston stated that this is not an issue he usually becomes involved in, but was compelled to, after reading in the news about the Governor's commitment to using these monies towards addressing the cuts that DPHHS is facing. When the state faces budget cuts, it is the most disadvantaged people in Montana that are hardest hit. It is important to seize any opportunity to address the possibility of correcting shortfalls.

Shyla Patera, North-Central Independent Living Services (NCILS), stated that she has often had to explain to legislators and officials the lasting impact budget cuts leave in the disabled community. She expressed her hope that the funds can be utilized to help the disabled community maintain its independence.

Marsha Katz read a letter on behalf of Christopher Clasby (*see Related Materials, Attachment 2*). She said that Mr. Clasby is a friend and colleague, as well as a tax payer with a full time job, which is made possible through services received through DPHHS.

Travis Hoffman, Montana's Centers for Independent Living, read a prepared statement (*see Related Materials, Attachment 3*).

June Hermanson, Montana Youth Leadership Forum (MYLF) and Disabilities Action Alliance (DAAM) program director, asked the Land Board to approve the lease agreement. She stated her hopes that today is a cross-road, by which the natural resources may be tapped in to in a responsible fashion, and by doing so, can support Montana Citizens.

Micah Vaughn, Hellgate High student, presented the board with over 200 signatures of Hellgate High School students opposed to mining Otter Creek (*see Related Materials, Attachment 4*).

Don McDowell, Powder River County Commissioner, said the commissioners are in support of moving forward with developing the Otter Creek coal tracts. He urged the board not to pass up the opportunity and presented the board with 508 signatures of Powder River County citizens in support of the project (*see Related Materials, Attachment 5*).

Bob Guilfoyle, United Mine Workers of America (UMWA), read a prepared statement expressing concerns over the treatment of workers at existing mines, and violation of labor agreements (*see Related Materials, Attachment 6*). He stated that the UMWA supports the responsible development of coal resources. Otter Creek could provide some much needed jobs for Montana residents, as well as the opportunity to attach some conditions ensuring the workers will be treated with respect under state and federal labor laws.

Jim McGarvey, Montana AFL-CIO, stated that there are 38,000 members in Montana that come from all walks of life. He read a prepared statement urging the development of sustainable jobs and the pursuit of a neutrality agreement (*see Related Materials, Attachment 7*).

Beth Kaeding, Northern Plains Resource Council (NPRC), read a prepared statement (*see Related Materials, Attachment 8*).

Jim Atchison, Southeastern Montana Development (SEMDC) executive director, stated that they are a regional, non-profit development group that does whatever can be done

March 18, 2010  
LAND BOARD MINUTES

to create or save jobs in Custer, Rosebud, Powder River, and Treasure counties. The Otter Creek development project is possibly the biggest development opportunity Montana will see in his lifetime. Mr. Atchison encouraged the Land Board to vote "yes".

Jim Hansen, Broadus Schools superintendant, stated that in the past three years enrollment has dropped by over 48 students. The district is currently involved in a force reduction process. The base teacher salary is \$22,511 and there was only one applicant for the most recently available teaching position. He stated that the Land Board has the opportunity to provide a brighter future for Montana's children.

Linda Reksten, Butte School District No. 1 superintendant, urged support of the project with responsible mining so that schools can be enriched, and student enrollment can be maintained. At the same time, mining could provide an opportunity for economic growth if done in a responsible fashion.

Mike Coryell, Miles City Director of Economic Development, stated that he is originally from Colstrip. He spoke of the excellent restoration work that has been performed there and urged the Land Board to embrace this opportunity.

Jenny Harbine, Earth Justice attorney, urged the Land Board not to lease the Otter Creek coal tracts, and certainly not at the reduced bonus bid price.

Matt Parker, Hellgate High student, stated he represents the many students who have shown displeasure with the proposal. He stated that it is his generation that will have to suffer the ramifications of leasing the coal.

Randy Shannon, Citizens for Resource Development (CFRD), stated that CFRD urges the Land Board to move forward with development.

Don Schillinger, Baker Public Schools superintendant, asked the Land Board to support the project. Agricultural was once the primary industry of eastern Montana, and currently there are few industry options available. Those that are are oil and gas production and coal development. He stated his belief that the state agencies responsible for permitting and oversight will ensure that all development is done responsibly, with attention to preserving the environment.

Anne Hedges, Montana Environmental Information Center (MEIC), stated that promises of responsible development have historically rung hollow. The state could get so much more if they received fair market value for the coal. Community support programs, such as those that were discussed earlier, are very good programs that deserve honest, sustainable revenue streams, rather than a one-time cash infusion. At the very least, MEIC supports the unionization of the project, and believes the Land Board should insist on a neutrality agreement.

Natalie Smith, Hellgate High student, stated she represents the students that oppose the mining at Otter Creek. She stated that the students do not want money from the kind of operation that would damage the environment. She urged the Land Board not to lease the land at all.

Jack Regan, Miles City Public Schools superintendant, stated that this is a great opportunity to help the schools and students of Montana. He recognized that the legislature will have the final say where the funds will go, which will give them the opportunity to show their constituents their support of education. Recent surveys show that 60 to 70 percent of Montanans support Otter Creek development. He said that it is time to listen to the silent minority.

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Dave Shreve, Forsyth Public Schools superintendant, stated that he is a proponent of leasing the Otter Creek coal tracts. Technological advances have been made in the field of coal development. He cited Colstrip as an example of responsible development and restoration. He thanked the Land Board for their efforts and expressed his confidence in their making the right decision and approving the project.

Julie Korkow, Powder River County rancher, expressed how important this development is to Powder River County. It is an opportunity to bring economic development and prosperity to an area that suffers from a poverty level of over thirty percent.

[Name Unknown], Hellgate High student, urged the board to vote against the proposal. He stated that he regularly attends the annual Envirothon, and at a recent Envirothon, Governor Schweitzer spoke about how all decisions will affect seven generations into the future. He asked that the Land Board give the same consideration and foresight.

Kim Lorengo, Anaconda teacher, stated her belief that Montana has strong natural resources that need to be developed responsibly. She asked the Land Board to move forward with the development of the Otter Creek coal tracts.

Harry Scheff, Colstrip Public Schools superintendant, requested that the state move forward with the development of the Otter Creek coal tracts. He said he has witnessed first-hand the positive impact that responsible mining and restoration has on schools and community.

Brad Hash, Sierra Club, stated that revenues gained from the leasing of the Otter Creek coal tracts will go into the General Fund, and may not help schools, or the DPHHS budget cuts. While he is sympathetic to DPHHS funding shortages, he is wholly opposed to development of the coal tracts.

Jim Whelan stated that he is a lifelong educator. Mr. Whelan said he understands the problems the state faces as well as the fact that there are no perfect answers. He urged the board to move forward with development and said nothing will happen while waiting for the perfect answer.

Mike Scott, Sierra Club, urged the Land Board not to accept the agreement from Arch Coal. He drew a parallel to a power plant in Colstrip where regulations are not being enforced, and expressed concern that regulatory enforcement may not occur at Otter Creek either. He noted that the state could have been generating income from the PPL Montana (which owns the power plant at Colstrip) by enforcing the rental rates owed to the state.

Michael Phelps stated that he has grown up with rhetoric about his generation having to inherit a toxic environment. He noted the overwhelming opposition by the younger generation and asked the board to stop coal development.

Dan Flynn, IBEW, stated that the Otter Creek tracts should be leased. He cited the duration of revenues that would be generated from the project and its associated industries.

Will Richardson, Hellgate High student, stated that this a time when society is trying to move away from fossil fuels. He stated his belief that Arch Coal will not "do right" by the land.

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LAND BOARD MINUTES

Sarah Anderson, University of Montana student, stated that she does not wish to spend the rest of her life dealing with the carbon dioxide released by the burning of the Otter Creek coal. She asked to Land Board not to accept the lease proposal.

Harold Blattie, Montana Association of Counties executive director (MaCo), said MaCo supports the development at Otter Creek.

Kim Rickard, Laborers Local No. 1686 (LIANU) business manager, said the 1656 members working in both the public and private sectors are in support of Otter Creek development, and urged the Land Board to approve the lease.

Lonzo West, IBEW Local No. 732 president, stated that the members are in favor of the Otter Creek development. He illustrated the tax benefits of higher-paying jobs.

Bob Adams, Montana Conservation Voters, stated that he supports the comments of Ms. Hedges (MEIC) and Ms. Kaeding (NPRC). As a former educator, he urged the Land Board to look at more sustainable, long-term support for the schools.

Alexis Bonogofsky, National Wildlife Federation (NWF), asked why there is so much support to preserve the Flathead, and not the Tongue River Valley? Farming and ranching are the mainstays of eastern Montana and last forever. MWF urged the Land Board to protect those mainstays by not approving the lease.

Chuck Kerr, Great Northern Properties (GNP) president, stated that GNP is the other half-interest owner of the Otter Creek coal tracts. He asked the Land Board to accept the Ark Land proposal and approve the lease. If the lease is accepted it will aggregate a diverse ownership in a major resource into a unified block. That will allow a world-class coal company, with the technical and financial resources, to effectively and efficiently operate the Otter Creek block to its maximum effectiveness, in a financial, operational, and environmentally friendly manner.

GNP believes that by approving the lease the Land Board will be fulfilling its fiduciary responsibility. Mr. Kerr noted that the state lease has higher bonus bid than the lease GNP agreed upon with Arch Coal. The bonus bid is not as important as royalties, and Wyoming began leasing coal at 12.5 percent royalty, and continues to lease at 12.5 percent, the same as Montana.

Dave Finnerty, Ark Land Company president, said that Ark Land handles all the land management for Arch Coal operations. He spoke in support of the Ark Land bid for the lease, and praised everyone involved in getting to this point. Arch Coal understands that Otter Creek is different and unique from any of its existing operations, and will come with its own set of challenges.

John Roeber, Boilermakers Local No. 11 business manager, praised the Colstrip community and region, citing it as an example of responsible mining that benefitted a community.

Susie Rossette urged the Land Board not to lease the Otter Creek coal tracts, and asked them to stop thinking about money and start thinking about the future. She elaborated on the potential hazards to the environment.

Willie Duffield, Montana Association of Oil, Gas, and Coal Producing Counties (MAOGCC), reaffirmed their support for leasing the Otter Creek coal tracts. He pointed out that as GNP has already signed an agreement with Arch Coal for their coal, mining will occur regardless of the Land Board's decision.

Brad Sauer, Miles City rancher and NPRC, stated that he is working to retrofit his home to increase energy efficiency. He questioned if leasing the tracts shows good business acumen, noting that the bonus bid amount is equal to that price that the Northern Cheyenne Tribe offered for their coal in 1966.

Ms. McCulloch made a motion to accept the bid from Ark Land Company, and approve the lease package, including the [Northern Cheyenne Settlement Agreement](#), as it was presented at the February 16, 2010, Land Board meeting. Motion seconded by Governor Schweitzer.

*At this time, the meeting was temporarily recessed to remove five sit-in protestors who were disrupting the meeting.*

Upon reconvening the meeting, Ms. McCulloch read a prepared statement:

*"Today is just the first step in a very long process, likely several years.*

*My comments during my motion in February referred to the 'possibility of creating hundreds of jobs, good paying union jobs". Now is the time for Montana unions and Ark Land Company to get together and start the conversation to ensure those good paying union jobs.*

*This is also an opportunity for this Land Board to exercise our oversight responsibilities as elected officials, to enforce our state's labor laws, environmental laws, and health and safety laws.*

*I will also continue to work to make sure that the provisions in the Northern Cheyenne Agreement are followed. My staff and I worked on this agreement in 2001. I made the motion to accept it at the February 2002 Land Board meeting. The agreement empowers employment with Tribal members and recognizes cultural issues if there is mining at Otter Creek. That same agreement helps assure that qualified non-tribal members in Ashland, Birney, or in Powder River County who live within 50 miles of Otter Creek will have an employment preference and access to job training as well as tribal members."*

Ms. Lindeen asked Mr. Finnerty asked if Ark Land Company will respect the rights of its employees to organize (unionize)?

Mr. Finnerty said yes.

Ms. Lindeen stated that it was her understanding that it is too late to put a neutrality agreement into the lease packet, and asked if it is possible for the DNRC to pursue a neutrality agreement, such as an MOU?

Ms. Sexton said DNRC can look into the idea. It would be an agreement between the state and Ark Land. Within the existing lease there is a provision that reads, "the lessee is required and agrees to comply with all applicable laws and rules in effect in the state of the lease". According to paragraphs 19 and 21 of lease agreement, the existing lessee must operating the mine in accordance with the National Labor Relations Act and the Mine Health and Safety Administration rules, promulgated under the 30 CFR. An additional neutrality agreement can be considered.



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Mr. Bullock asked Mr. Finnerty to elaborate on his earlier statement that: "...Otter Creek is different and unique from any of its existing operations, and will come with its own set of challenges".

Mr. Finnerty responded that no operation is alike, each presenting unique issues. The Otter Creek area certainly is unique, and Ark Land has a commitment to work with the Land Board as well as the DNRC and other state agencies.

Mr. Bullock asked how many total employees are with Arch Coal and its subsidiaries, and of those, how many are organized (unionized)?

Mr. Finnerty answered that there are approximately 3900 total employees, and of those, 300 that organized at the Cumberland River operation.

Ms. Juneau stated her support for the discussions and questions ensuring Arch Coal respects the unions and their right to organize. She said that she will "stay the course" and vote against leasing the Otter Creek tracts and stands by her previous statements opposing the development. She noted the irony of approving development at Otter Creek and prohibiting development in the Flathead.

The Land Board should not be held hostage by the current economic picture, and they must also think of their duty to the future beneficiaries of this trust. Ms. Juneau stated that she suspects the lease will be approved today, and wished to reiterate a few things regarding the bonus bid during past deliberations on the issue. She agreed with the parts of Ms. McCulloch's motion at the December 21, 2009, Land Board meeting that stated:

*"...that the bonus bid money goes to increase funding for schools, not to be used as replacement monies..."*

...

*"As a Land Board we can only lease Otter Creek if the act benefits schools".*

Ms. Juneau thanked the school representatives who attended the meeting, and expressed her hope to see them during the legislative session to ensure that any money that is generated from state lands goes directly to schools. There has not necessarily been an increase in school funding from the legislature, despite the intention of the Constitution directing those monies towards the schools of Montana. Ms. Juneau stated that she agrees with the conditions Governor Schweitzer stipulated at the February Land Board meeting, when he supported the lower bonus bid:

- five million dollars from the bonus bid will be presented to the next legislative session for high school science education that is focused on renewable energy, in particular solar and wind power; and
- five million dollars from the bonus bid be included to protect the people and the water in the Otter Creek area.

Ms. Juneau stated that she knows the bonus bid money is being touted as saving the general fund, and that part will be used to offset proposed budget cuts so the government can continue to do what it needs to do to provide services to the state's most vulnerable citizens. Part of these most important government services include the public education system; a system that serves those who do not yet have a voice, vote, or power in how government dollars are spent. These are the people who will someday be leading the state and country—the students of Montana. Ms. Juneau thanked all of the students, both pro and con, who wrote or attended meetings to show their passion for this cause. She concluded by stating that the general fund was balanced during the

last legislative session on the backs of public education, using one-time only federal funds—stimulus money—to replace \$62 million in state money so the state money could be spent on other services. Any money generated from this bonus bid must be used, at a minimum, to fill that hole in the education budget.

Mr. Bullock stated that he has said all along that the Land Board could and should do this project if it is done right. It appears to be the economy versus the environment, but from his perspective is more complex, including the constitutional obligation to maximize the value to the trust. He said that when he initially voted to approve putting the tracts up for bid, there were three requirements:

- ensure continued Land Board involvement and compliance with environmental and regulatory laws;
- no direct or indirect subsidization of the Tongue River Railroad (TRR); and
- maximize the amount of money earned for the trust.

Mr. Bullock stated that he does not believe the proposal today would be the maximum amount. Every meeting of the Land Board is an historic day, and the board must ensure that the maximum dollar is earned for the trust. Mr. Bullock concluded that is not the case today, and said he will vote against the lease.

Ms. Lindeen stated that she stands by everything she said at the February meeting in terms of how difficult the decision is (see [February 16, 2010, Land Board minutes](#)). As a person who has lived most of her life in southeastern Montana, she has great respect for people on both sides of this issue. Referencing the North Fork Resolution (see [Agenda Item 310-11](#)), she stated that the people of eastern Montana contribute a great deal to the entire state, in terms of resources, and that there is an impression that has developed over the years that western Montana does not care as much about eastern Montana. Ms. Lindeen stated that whether or not it is true, and while she has great respect for all parties involved in the North Fork Resolution, it appears as though there is more willingness to extract from the eastern side of the state and not the western side. Her goal is to represent the entire state, so she said she would vote against the North Fork Resolution, as it is only fair that everyone in the state has to fight hard to decide if natural resources will be developed.

Governor Schweitzer stated that it appears people may have lost sight in regard to the bonus bid. Three hundred seventy thousand dollars was spent to appraise these assets, and the suggested bonus bid was five to seven cents. After receiving no bids at the original twenty-five cent bonus bid price, which was 400 percent the amount suggested in the appraisal, a bid was made at fifteen cents. This is higher than the amount agreed upon by GNP.

Governor Schweitzer gave a presentation of how the royalty money would accrue over time; \$500,000,000 every biennium would be earned for the trust (see *Related Materials, Attachment 9*). He illustrated how it is not one time money, but long-term income for the disabled, infrastructure, and environmental concerns. He also addressed the tax income earned from the many jobs and taxes created by this development.

**Motion to lease the Otter Creek tracts to Ark Land Company for a bonus bid of \$85,845,110 approved 3-2 (Ms. Juneau and Mr. Bullock dissenting).**

*Attorney General Bullock exited the meeting following the Otter Creek vote and was absent for items 310-3 through 310-12.*

**RELATED MATERIALS  
ATTACHMENT 2**

March 17, 2010

Worthy Governor Schweitzer & fellow Montanans:

I am submitting this letter as a private citizen and former member of the Governor's Vocational Rehabilitation Council and Montana Job Training Partnership Assessment Task Force and a current member of the Montana Medicaid Infrastructure Grant Coalition. Because I could not attend the March 18, 2010 meeting in person, please accept this letter in support of the development of the Otter Creek Coal Mine.

From what I know of the Otter Creek Coal Mine and discussions of its development, I see it as an excellent opportunity for economic development in Montana as well as a boost to our employment. Tax revenues generated by Otter Creek development would help offset Montana's current budget shortfalls and could prevent or at least minimize proposed cuts to many essential statewide services. With the state of our national economy currently in crisis and growing unemployment rate, this new economic development opportunity would provide opportunities for many Montanans. I do, however, hope that the negotiations on the price of this Montana coal will be close to commensurate with that of our neighboring state of Wyoming.

While some Montanans are greatly concerned about the environmental impacts of the Otter Creek Coal Mine, I am comfortable with my support knowing that the EPA and other management agencies will hold this industry to the highest of standards to prevent devastation to our natural resources. Approaching use of our natural resources for industrial purposes with conscientious, proper stewardship we can achieve environmental protection and financial gain.

Please consider my support in your consideration of developing the Otter Creek Mine and use of tax revenues generated to prevent the elimination of human service programs. We must continue to do our best to provide essential services and programs to citizens of Montana.

Thank you.

Sincerely,

Christopher E. Clasby  
2340 West Kent  
Missoula, MT 59801  
406-529-1265



# MONTANA CENTERS FOR

ADVOCACY AND RESOURCE

FOR MONTANANS WITH DISABILITIES

RELATED MATERIALS  
ATTACHMENT 3

LIFTT | MILP | NCILS | SUMMIT

March 18, 2010

Montana Board of Land Commissioners  
Capitol Room, 137  
Helena MT 59620

Dear Montana Board of Land Commissioners:

As you are all aware, Montana is experiencing financial difficulties within the current national economic downturn. Because of these hard financial times, many Montanans who rely on services provided by the State of Montana in order to survive and/or to get back on their feet to work towards becoming more self-supporting are at risk of having the floor pulled out from underneath of them due to the looming budget cuts that the Governor is considering. If this were to happen, many would have no where to fall and would continue to become more dependent on Government programs, not less, and would continue to cost the state, and ultimately the tax payers, more and more. This means there will be less tax payers and less people becoming tax payers yet more demand for services such as Medicaid, food assistance, energy assistance, independent living, transition, and more at a time when the agencies that provide these services are looking to have their budgets cut.

The \$86 million bid by Arch Coal Inc. presents Montana with a rare opportunity to generate some much needed revenue without the need to raise taxes on Montana families. In light of the State's financial situation and this revenue generating opportunity, as well as to help create new jobs and ensure that the State can continue to meet the needs of it's people, including people with disabilities, during this economic downturn, Montana's Centers for Independent Living would like to express our support of Arch Coal Inc.'s bid and we urge the Montana Land Board to approve this sale.

Thank you for your time and consideration in this matter.

Respectfully,

Montana's Centers for Independent Living

Living Independently For Today and Tomorrow  
Montana Independent Living Project  
North Central Independent Living Services  
Summit Independent Living Center

Contact Information:

Travis Hoffman

MCIL Lobbyist

406-728-1630

[thoffman@summitilc.org](mailto:thoffman@summitilc.org)

We, the students of Hellgate High School, oppose the l  
mining.

**RELATED MATERIALS  
ATTACHMENT 4**

Leyna Downey	Molly Williams
Emi Agnew	Alessa Lennox
Julia Leiritz	McKinley Williams
Malia Silverman	Ellen Ruby
Khadija Davis	Chelsea Wood
Ceilin Barr	Grace Koch
<del>John Vinn</del>	Anastacia Stokstad
Eric Held	Iris Olson
Henri Dale May	Ahnna Reid
<del>Brent Hest</del>	Benjamin Klemfay
<del>Haley Sampson</del>	Cameron Kesel
<del>Electra Hest</del>	Silas Ayers
<del>Jon Riste</del>	Rebecca Parrish
Shannon Bolton	Sam Ryan
Sophie Faher	Casey Hiwitt
Hunter Dunn	Dustin
Alexa	Kaitlyn Patton
Tyler Teich	Rich Gosse
Lindsay Coffin	Ashely Hooper
<del>Dan</del>	Carina Osorio
Cymek	Sandra Khicoduyden
Katie Martens	<del>Anna</del>
<del>Mark Dero</del>	Morgan Morris
Leah Salcido	Billy Hauer

We, the students of Hellgate High School, oppose the leasing of Otter Creek for coal mining.

Heidi R...	Tiffany Tompkins
<del>Angela Clark</del>	<del>Jonathan Thompson</del>
BRANDON HINES	Angie Aulin
Molly Stark-Ragsdale	Kristi Corning
Lizbeth Johnston	Kayla Rolick
Britt Englund	Bailey Marin
Sam Waldert	Mariah Clark
Cure Trice	Adrienne Parrott
Bruce Davis	Logan Krum
Micaiah Vaughan	LOWEN SKIFTUN
<del>John H. Marshall</del>	LIAM CARNEY
Angus Stangl	COLLIN DYER
Tyler J...	AUSTIN CRESSO
<del>John Smith</del>	Austin McLaughlin
Jack Smith	Jacob Weimer
B. J. Smith	Atsadanut Khampoenf.
Christina Seung	PAUL LUTAN
Victor D...	Michael Blockner
Jay Davis	Cary Hamman
Jennifer Rogers	Nikol Stirling
Amiee Davis	Trevor J. Miller
Kurtis D...	Kyle Moeller
Emilee Fagundes	Anna Hoppe
<del>Stephanie</del>	Kate Seanolm

We, the students of Hellgate High School, oppose the leasing of Otter Creek for coal mining.

J. Maxwell Eschko	Grace Laney
Will Johnston	Sarah Hennricks
Nathanial Hutchins	Katherine Vincent
Aidan Schuckman	Hallie Oines
Kara Judd	Q. Vale
Gabe Gahr	
Sam Cummings	
Shannon Grimes	
Shelby Wilborn	
Owen Thayer	
Adam Cook	
Callie Urdy	
Piper Frame	
Dakota Mackey	
Tim Gaffney	
Earl Jones	
Michael Thomas	
Michael	
Isabel Huff	
Hannah J. Hart	
Dillon Morris	
Chris Roten	
Dominic Messina	
Tosh White	



We, the students of Hellgate High School, oppose the leasing of Otter Creek for coal mining.

Cotton Clark	
Matt Parker	
Elyse Finnegan	
Bill Anderson	
Austin Bryant	
Shane Jensen	
Randy Swan	
Nicole Adams	
Samantha Hillard	
Johnathan Bertsch	
Braelynn Luedtke	
Joel Palmer	
Paul Thompson	
Chelsey Mancoske	
Alex Wood	
Julianne Payne	
Mr. [Signature]	
Candace Blane	
Chelle Christy	
Letitia [Signature]	
Shirley [Signature]	
Richard [Signature]	
Lenny Smith	

RELATED MATERIALS  
ATTACHMENT 5

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Carey Trumps  
Bill Gorder  
Charles P Russell  
Robert Morgan  
Duffie L. Mitchell  
Clint Pedersen  
Rick B. Escheuve

Broadus, MT. 436-2827  
Broadus Mt. 436-2316  
Broadus mt 436-2217  
Broadus mt. 436-2837  
Broadus, MT 436-2637  
Broadus, MT 436-2772  
Broadus

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Sham Waple

Amarda Luita

Benny Stralman

Ida R.

John V. Johnson

Kimberly Williams

Joni Stoddard

Sue Quin

Tim D. Drake

Broadus MT

Broadus MT

Biddle MT.

Broadus MT.

Broadus MT

Broadus MT

Broadus, MT

Broadus MT

Broadus MT



My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Rudy Timbogh

Doug J. Love

Hugh J. Zeller

Bill J. Isaacs

Sam J. Shamus

Kyle W. Rogers

Scott Burley

Karen Houernell

Chris Olson

Leslie Burley

Robert Mayrin

Judy Deibel

Myra B.

Gregory Stoddard

Jeddy Berla

John J. Olson

Melanie Samuelson

Frank Rasmussen

Branda Gacy

Terry Christner

Lee Fennel

Kevin Fenson

Allen

Broadus MT

Broadus MT

Broadus MT

Broadus MT

Broadus mt.

Broadus MT.

Broadus, mt

Broadus MT

Broadus MT

Broadus MT

Inds City mt.

Broadus, MT

Ashland MT.

Broadus MT

Broadus MT

Hammond mt

Vokborg, MT

Broadus

Broadus

Broadus mt.

Broadus MT

Broadus, MT

Maymont FL

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

<u>Name</u>	<u>Address</u>
Ford Elgin	Biddle MT
Jean Leith	Broadus MT
[Signature]	HELENA, MT
Cagalen Traub	Broadus, MT.
Alan Craft	OTTER - MT.
Debby Thoeny	Broadus - MT
[Signature]	BROADUS - MT
[Signature]	Broadus MT
Robert Traub	Broadus, MT.
Myron M. Atchelt	Broadus, MT.
Edgar Krumm	" "
H. J. Alderman	" "
Jessie Rolfsen	Broadus, MT.
Raymond Rolfsen	Broadus MT
Theresa A Alderman	✓
Vernon Rice	Broadus MT.
Tom Anderson	Broadus MT.
Len M. Rice	
Ray Alderman	Broadus MT.
Michael Wetten	Broadus MT
Wes Runkle	Broadus MT.
Paul Reed	Broadus, MT
Charles S. McDowell	Broadus MT

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Name

Address

Brian Thoeny

Jim Cain

Tim Dwyer

Kern V. Johnson

Matt Ewre

Simon Johnston

Cheryl Mitchell

Phyllis Mitchell

Broadus MT.

Broadus MT

Boyes MT

Broadus MT

Wright MT

Powderville, MT

Broadus, MT

Broadus MT

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Phillip Desatoff  
for Russ

PO Box 163 Broadus  
561 Broadus

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Karen Perleberg  
Anita K. Gattin

Box 46, Broadus, MT  
P.O. Box 5 Broadus, MT



My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

Glenn Sparks  
Carolyn Hughes  
Mike Miller  
Robert Barker  
George Samuelson  
Luf Samuelson  
Gloria Rosenkrantz  
Steven L. Vaid  
Thomas J. Mann II  
Amy Minor  
Peggy Sue Hunt  
Adelth Post  
Victor Ullman  
A. L. Collins  
Leticia Billeray  
Gary S. Gaskin  
Helen Bickler  
Elizabeth Bickler  
J. K. Kow

11 Sparks Lane Broadus  
146 E. Pine Rd Broadus  
104 Butte Creek Rd. Biddle  
61 Wolf Creek Rd Broadus  
201 Pumpkin Cr. Rd. Volborg MT.  
201 Purple Cr Rd Volborg MT  
70 Burdette Creek Ln Boyes MT  
P.O. Box 376, Broadus, MT  
6 Sunlight Rd Olive MT.  
60 Sunlight Rd Olive, MT  
47 Pigeon Creek Rd Broadus  
108 Sonnet Rd Sonnet MT 59317  
40 Pearce Rd Broadus MT 59317  
102 3rd CA Broadus  
316 Shrt Cr Dr Alzada MT 59311  
Box 5 Broadus MT 59317  
Box 566 Broadus, MT 59317  
95 N State Highway 59 Olive MT  
59343  
131 N. Hwy 59, Volborg MT 59357

My signature below indicates my support for the State of Montana to pursue the development of the Otter Creek coal tracts located in Powder River County. Although Powder River County is located some 400 miles from Helena, MT, we want our opinions to be heard.

*Robert W. Loomis*

*Walter Cameron*

*Lakeshia Cameron*

*James W Davis*

*James Lemke*

*Anthony L. George*

*Walter J. Loomis*

*Steve George*

*Dale Ritts*

*Georgia Lamm*

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Name
Ken Bruner
Charlotte Gabel
Greg Hammon
Daniel C. Johnston
Cliff Allen
Del Burley
Raymond Ragdale

Address
121 E Powder River Rd.
100 E River, Broadus
10 Deer Creek Rd, Broadus
#7 Deer Creek Rd Broadus
14 Allen Rd Biddle
18 Burley Rd Broadus MT
PO Box 253 Broadus MT



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Laura Lee Ulbrich  
Echo Gaskill  
Tom Emmons  
Nancy Egan

Brookus, Mt.  
Volborg, mt  
Volborg mt  
Brookus MT

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Don Burkholz  
A D Winkley

MUER S. ISANCS

Richard C. Hart  
Kenneth Lythner  
Mark Stettin

Jack Mills

Thomas E. Thompson

Ward Butler

Rid Lulak

Roger Quaring

Frederic A. Rice

Eddy L. Luff

P.O. Box 572 Broadus, MT

P.O. Box 451 Broadus MT

P.O. Box 691 Broadus, MT. 59317

Box 209 Broadus, MT 59317

P.O. Box 215 Broadus

G. L. J. Bart

Box 128 Boyer, MT 59316

Box 2 Broadus, MT

671 W US Hwy 212

Box 104 Broadus MT.

Box 314

Box 681, Billings, Montana

11 Martin Rd Otter, MT 59062



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Harlan Offens

T. Williams

Joseph D. [unclear]

Madeline [unclear]

William L. [unclear]

Everett Burley

Nadja Pilster

Joseph Pilster

Shab Khan

Ernie [unclear]

J. [unclear]

Jeff Noble / Jeff Noble 3/3/2000

Paul [unclear]

Joseph M. Bagghart

Kenneth [unclear]

Ben [unclear]

Mark [unclear]

Mark [unclear]

Pat [unclear]

Pat [unclear]

Pat [unclear]

Pat [unclear]

Carroll Newton

Ken Johnstone

Tom Stever

Norman D. Turnbough

Stacy Best

Tom [unclear]

Debbie Burley

John [unclear]

Joseph [unclear]

John [unclear]

John [unclear]

David Dinstel

Joseph [unclear]

Tom [unclear]

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Carole T. ...

Brooks, MT 59312



70

Address

61 1201f Cr Broadus

Broadus

Due March 16<sup>th</sup>

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~~Kenneth Rumph~~

Evan Rumph

Alex Rumph

Nathan Rumph

Gabe Rumph

Charlene Murphy

Richard N Rumph

~~Ray~~

Connie Rumph

Marion (Kenne) Beaman

Ryan Powell

Ruth Rumph

Pat Jones

Bessie Rumph

Ralph Rumph

Dave Rumph

Chester Rumph

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NAME

ADDRESS (BROADUS)

Nancy Sampson

82 E US Hwy 212

Don Dugan

P.O. Box 713, Broadus

David Sampson

PO Box 432, Broadus

Stephanie Caldwell

PO Box 4, Volborg

Joe Dugan

41 W. Powderville Rd. Broadus

Mary Alice Mangum

41 W Powderville Rd. Broadus

Helen Clark

Otter Creek - Powderhouse Trail

Ann Wilcox

Broadus

Doug Wilcox

PO Box 201 BROADUS

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Anna L. Byrd  
Lin Fortis

Gaylene Fortner

Wella Shannon

Leslie Buley

Murray Veston

Orlen Miller

Alice Miller

Broodus MT

Broodus MT

" "

Sonnelle, MT

Broodus, MT

Miles City, MT

Fallon, MT

" "

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Ribaud  
Hattie Aulson  
Bill Worman  
Jay O'S  
Thomas L. Williams  
Judy Aulson  
David  
Avin C. Rogers  
Leslie Burley  
John Pitt Banters  
Cherry Considine  
Dave Mader

Box 105 Broadus MT  
Box 133 Broadus MT  
Box 111 Broadus, MT  
Box 243 Broadus, MT  
Box 464 Broadus, MT  
20 Allison Rd Biddle, MT  
Box 202 Broadus MT  
Box 324, Biddle, MT  
#3 Suede Creek Rd. Broadus  
P.O. Box 1415 Livingston MT 59047 MT  
Box 179 Broadus MT 59317  
PO 335 Biddle, MT 59314

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Hannah Caira  
Vaeri Gasbille

1 View Vista Dr, C-21  
Livingston MT 59047  
Broadus, MT 59317

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Wendy Vallejo  
Hazel Ketterelt

Po Box 600 BROADUS MT 59317  
298 State Highway 59 Broadus mt 59317

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Anna Dulin

Barbara Klauzger

Shawn Cooper

Frankie George

Jim J. Tabolt

Katherine Roberts

Kathryn Leischner

Catherine Janda

Kathleen Isaacs

Michaela Lipp

Karen Gunther

Tracy Thomas

John

Kate Ward

Martina J. Capps

Daniel M. Capps

Carmen Tumbler

106 1<sup>st</sup> Street Broadus MT 59317  
180 Sonnette Rd, Broadus, MT

PO Box 176, Bays, MT 59316



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Brett Tabolt  
John Pol  
Cherry Jones  
Don S. Bole  
John Blain  
Tim Wymann  
Frankie Merg  
Jackie Hall  
Don W. C.  
Donell Hopkins  
Cynthia Murdock

106 1<sup>st</sup> St Broadus MT  
112 3<sup>rd</sup> St Broadus MT  
416 N. Bent Broadus MT  
572 Rd 674, Volkmong MT  
114 2nd St Broadus MT  
Box 104 Fromberg, MT.  
Rd 117, Broadus, MT.  
Box 585 Broadus, MT.  
101 E River Broadus  
301 N. Jensen Broadus  
301 N Jensen Broadus

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Clayton Patten

Carol Richards

Jeff Blumhersch

Charlotte Miller

John A.

Therent A. Amende

David H. Hoppe

Carol Lambert

Sal Johnson

Jerry R. Wilson

James Brown

Harold Greiner

Sharon Belling

Frank Taber

11/3/05  
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Andrea Rice

Scott Carruth

Julie Collins

Charmaine Johnson

Bob Johnson

Joseph Quince

Marshalla Williams

C. Hopkins

Bryan Smith

A.R. Collins

J. A. [unclear]

John [unclear]

Jan Emeline

Kathleen Wimmer

Debra J. [unclear]

Talena [unclear]

Robert A. [unclear]

Kay Wellrich

Kaylin Hessman

Gregory Flanigan

Chuck George

Jeff Corrie

Thelma Taylor

Randy [unclear]

Janet Bigg

Barry [unclear]

Van [unclear]

Tim [unclear]

Paula Nisley

Vicki Lake

Cari Lancaster

Bill Jansen

Cathy Stewart

Kim Newton

Carroll Newton

Kevin [unclear]

Loyce Cassette

Allen R. [unclear]

Vicki [unclear]

Garry Doering

Alada [unclear]

Tim [unclear]

Kyle Olson

Shawn [unclear]

Betty [unclear]

Shirley [unclear]

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~~Darla Reaves~~  
~~Craig Bell~~  
~~John R.~~  
~~Cynthia Jacob~~  
~~Jeffrey Hunt~~  
~~Joseph Quinn~~  
~~Dustin Brumby~~  
~~David L. Fatter~~  
~~Rob Turnbull~~  
Ann Carroll  
Hannelore Olson  
Tom Fathin  
~~W. H.~~  
~~Tom F.~~  
Janet Hamala  
Tony Davis  
Hannelore  
Christopher Powell  
Renee L. Higgins  
Eric  
Jovica Gotfredson  
Marilyn Jones  
~~Or~~  
Regina Sille

~~Darla~~  
Norma Baker  
Latitia L. Dixon  
Dancy Hunt  
~~John~~  
Clyde Williams  
Leslie Burley  
Quinn E. Korkow  
Cedar Hill  
Bernard D. Ave  
Shelli Gali  
Sharon Smith  
Bob Smith  
Tom Drain  
Paul Hopkin  
Dorothy Judge  
Dorothy Turel Fulton  
Cassie Leese  
James W. Burley  
Claire Jensen  
Marion Jones  
~~John~~  
Chh H. Lamb

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Janice Babin

Alli L. Martineau

Carol Schumacher

Della Green

Will Page

Catherine Leland

Tom S. Huns

Nick Hoeff

Michael Hunk

Bill Gump

Bill Worman

E Lee Hubbard

Patricia Franklin

Ollamae Drane

Richard Fisher

Sandy Stahl

A. R. Glin

Shirley Cox

Angie Johnston

Wendy Huns

Nick Green

Asbury Miller

Norman Jean Starling

Richard Stanley

Bill S. Miller

Brandon Tavel

Cheri Culbert

Co. J. Hunt

Sony Webster

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Darlene Woolston

Kirk Latta

Deik Dinstel

Jenny Brewer

Dorothy Williams

Mile Williams

Carol Ann

Pat A. Cunningham

Dennis Gatti

Beverly Ann

Felty Rump

Kathy Schaffer

Calvin Rice

Just Age

Cindy Parrish

Joan M. Haley

Greg L. Helms

Carl H. Watson

Kurt B. Coe

Angela Danks

Bruce Hammer

J. J. Landa

Cheryl Bird

Betty Jorgensen

Broader

Broadus

algola, Mont.

Broader, MT

Broader MT

Broader mt

Broader MT

Broader mt.

Broader MT

Otter, mt

Biddle, mt

Broader, mt

" " Box 68

Broader mt

Broader

Ashland, mt

Oliver, MT

Volborg MT

Broader mt

Broader mt

Broader MT

Boyer, MT

Broader, mt

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SHANE WOODSTON

Broadus MT 59317

~~Steve Liden~~  
~~Steve Liden~~  
Rick Wilson  
Carol Herman  
Tina Cain

~~John Allen~~  
Christ Mitchell  
Jungie Steen  
Oed Amador  
Bill Canon

Broadus MT 59317

Haley Hael

Broadus MT 59317

Karla Travis

Broadus MT 59317

Jackie Dickel

Box 556 Broadus

Lenell Rosencrance

Cynthia Trucan

Levi Mitchell

Box 172 Broadus MT 59317

Joseph Amador

Linda Rice

Box 618 Broadus MT 59317

Vernie J. Brewer

Box 282 Broadus, MT

Samuel Franklin

Broadus MT 59317

Gary Coulter

Box 582 Broadus, MT 59317

June Ray

Box 137 Broadus

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Mick Wynn  
Rich Schoenwald  
Anna Bird  
Jim Brown  
DEVAN WOOLSTON  
Sam Bock  
Gordon Mulkey  
Capt. John  
Worth Schumacher  
Bobbi Rumph  
Beverly Smith  
Jim Miller  
Heidi Bradshaw  
Thelma Chastain  
Phil Holka  
Priscilla Schoonaer  
Kipnie Co. (S.D.)  
Shana Nable  
Joyce Cuthy  
Mitch Eastice  
Don Vitho  
Nancy Vail  
JERRY KHEMM  
Rebecca L McEuen  
Wayne Billing  
Smith

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P.O. Box 386 Broadus MT 59317  
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Broadus MT 59317  
Broadus MT 59317  
Boyer, mt. 59316  
Otter MT.  
BROADUS, MT  
Biddle MT  
Broader, MT  
Broadus MT  
" "  
Broadus, mt 59317  
Volborg, mt. 59351  
Powderville MT 59345  
Broadus, MT 59317  
Broadus, mt 59317  
Broadus, MT 59317  
P.O. Box 64 Broadus MT 59317  
P.O. Box 662 Broadus MT 59317  
P.O. Box 376 Broadus MT 59317  
P.O. Box 232 BROADUS. MT. 59317  
101 E River Rd, Broadus MT 59317  
P.O. Box 223, Broadus, MT  
Bonnette MT. 59317



N A M E  
Kelly Babl  
Ramon Bicknell  
Manda Smith  
Connie Burnham  
Patricia Williams  
Tessa Patten  
Melanie Davis  
RICHARD ROBE  
Kay Jean Babl  
Kathy Elder  
Rickie Nickerson  
Jesse M Burnham  
Jesse Tork  
Ruth Pohl  
Charles Tork  
Stan, Jr

[illegible]

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Name \_\_\_\_\_

Address

Tammy Schoenbeck

Bx124 Brachius, mt 593/7

Gracie Carley

216 W Powderville Rd Broadus 59317

Emma Ryge

Box 286 Broadus, MT 59317

Sarah M. Mc Gild

Box 91 Broadway, MT 59317

Paulie Isak

Box 118 Broadus, Mt 59317

Marilyn Emmons

18 Mizpah Road Olive, MT 59343

Laura Lambert

P.O. Box 433 Broadus, MT

Gina Lay

PO Box 55 Broadus 59317

Deane Smith

50 Camp Creek Road Olive, Mt 59343

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Name

Barbara Wash

Jim Hansen

Arthur Perlberg

Craig A. Knab

Roger Gashill

Norma Giacometti

Sommer Schaffer

James Bond

Alfred

Bird 394: *Procardium* mt

Box 552 Groceries, MT

Box 46 Broadus MT

99 Moorhead Rd Graedus Mt.

30 E. Fork Otter Cr. Rd. Ashland, Mt.

1647 Ranch Creek Rd. Braden, mt.

Box 508 Broadus MT

Broodlus MF Boy 533

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NAME  
Kim Blain

Wynn Randall

Kathy Bond

Angela Parker

Cara Porc

Lynell Denson

ADDRESS  
PO Box 101, Broadus, MT 59317

PO Box 256 " "

230 E. River Rd

P.O. BOX 306 Broadus MT 59317

Box 273 Broadus MT 59311

PO box 322      "      "      "

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Mark Wiltse

Mitch Eustice

DAROLD L Zimmer

Dick Dinstel

Bucky Billing

Charles Barbero

Cliff Grant

John Barbero

Monty Fredrickson

Vito Phillippi

Dave Barbero

Joe Duff

Joe Duff

Ken O'Clark

Ken O'Clark

Cassidy A Zimmer

Calvin Simpson

Nancy Barbero

Mike J.

Mike J.

John Wash

Art Steadman

Lewis Janssen

Shirley E. Russell

Shirley E. Russell

Box 526 Broadus, MT 59317

Box 611 Broadus, MT 59317

Box 658 Broadus MT 59317

Algonquin, MT 59311

Box 502, Broadus, MT 59317

Box 32 Boyes MT 59316

Box 434 Broadus 59317

Box 156 Boyes MT 59316

Box 89 Broadus MT 59317

4 Phillippi Rd., Broadus, MT 59317

Box 593, Broadus, MT 59317

Box 393 Broadus MT 59317

PO Box 528 Broadus MT 59317

Box 22 Broadus MT 59317

Box 521 Broadus MT 59317

Box 403 Broadus MT 59317

Box 362 Broadus MT 59317

Box 156 <sup>Boyes</sup> Broadus MT 59316

Box 264 Broadus MT 59317

Box 154 Broadus MT 59317

Box 442 Broadus MT 59317

Box 715 Broadus MT

Hd 40 Vol 1609 MT

20 Capp Rd. Broadusville, MT

5 East River Rd. Broadus: 59317-0088

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Ray Rasmussen

Grant Olson

Dennis Schaffer

John Mobley

Donald Smith

John Samuelson

David Wisley

Corey Swanson

Joni Stoddard

Eric J. [Signature]

Scott Allen

2 Cottonwood Road Broadus, MT 59317

30 Moorhead Rd

12 Mobley Rd D line, MT 59343

129 N. Hwy 59 Broadus, MT

10 Samuelson Rd 101607 MT, 59351

146 E. U.S. Hwy 212 Broadus Mont.

P.O. Box 481, Broadus

Box 430, Broadus, MT

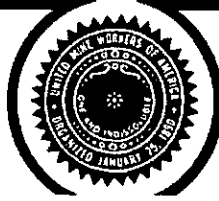
623 State Hwy 59 Broadus MT

Broadus

# United Mine Workers

## RELATED MATERIALS ATTACHMENT 6

INTERNATIONAL UNION  
8315 LEE HIGHWAY  
FAIRFAX, VA 22031-2215  
TELEPHONE 703-208-7200  
FAX 703-208-7132



REGION IV ORGANIZING OFFICE  
6525 W. 44TH AVENUE  
WHEAT RIDGE, CO 80033  
TELEPHONE 303-425-7110  
FAX 303-425-0401

March 18, 2010

The Montana Land Board  
Capitol Building  
Helena, Montana

Re: Otter Creek Coal State Leases

Dear Land Board Members:

Mining Otter Creek coal could provide much needed jobs to Montana residents. As elected leaders we ask that you stand up for not just any jobs but rather good jobs with good working conditions and the fair opportunity if the workers should choose to unionize. Arch Coal has a history of actively thwarting it's employees right to organize unions. Arch had contentious relations with the UMWA at its unionized facilities and resisted efforts by the union to organize more of its workers in a number of occasions. As a result, there is no UMWA representation currently at any of Arch's mines. It is clear that over the years, the company has gotten rid of nearly all of its unionized employees through mine closings and asset sales.

Unfortunately, I have witnessed the extremely poor working conditions that can prevail in a coal mine that doesn't have the benefit of Union protection. My interactions with Signal Peak Mine near Roundup, Montana, for which our legislature has enacted generous tax breaks, have taught us that mine owners will destroy any effort by their employees to exercise the right to organize through blatant unlawful threats, intimidation and coercion. As you may be aware, the words "Safety First" are just words at nonunion operations, where "Production First" always prevails. In its short duration as an operating mine under the current management, Signal Peak's safety record is worse than bad, it's appalling; it is my concern that we not let history repeat itself with the Otter Creek Mine.

This is state owned coal so as our elected leaders you should be able to determine the conditions under which this coal is leased and mined. As you know, the purpose of a Union is to give workers a fair level of input in the workplace. It is the workers who are at the most risk and who will enforce satisfactory level of safety, when sometimes mine owners' self-interest is to choose profits first. Below are four simple steps that I ask the Land Board to add to the Otter Creek lease language:

## 1. Protection of Employees' Labor and Safety Rights

The State of Montana shall condition any lease of state coal tracts on the lessee's assurance it will adhere to federal and state labor and safety laws. If any operator of state coal tracts is deemed to have engaged in a pattern of violations of its employees' rights under the National Labor Relations Act or the Equal Employment Opportunity Act or similar State laws, or in any unwarrantable violations of the Federal Mine Safety and Health Act of 1977, the lease shall be terminable at the State's option.

## 2. Neutrality

Where a labor organization becomes involved in organizing any group of classified Employees, the Employer shall maintain a neutral position and agree to a Neutrality Pledge; the Employer agrees that:

- (a) The Employer shall advise its employees that the Employer is not opposed to the selection of a labor organization as the bargaining representative;
- (b) The Employer shall refrain from lending any assistance or support of any kind to any group opposed to a labor organization;
- (c) The Employer shall adopt a position of neutrality regarding the unionization of its employees. This shall apply to all of the Employer's management employees and their agents and representatives including, but not limited to, supervisors and managers who work in the Employer's facilities and corporate headquarters management.
- (d) Neutrality means that the Employer shall not, in any way, hinder the Union's conduct of an organizing campaign, nor shall it demean or disparage the Union as an organization, or its representatives as individuals. Employer shall make no direct or indirect statement, speech or action showing or implying opposition to unionization of its employees or their selection of a particular union to represent them. If questioned by employees about whether to sign union authorization cards, the Employer shall state, "It's your choice, the Employer does not oppose unionization" or words to that effect. The Employer shall refrain from the use of intimidation, threats of reprisal, promises of benefits, or other conduct or speech designed to intimidate or coerce employees to influence the decision by its employees regarding unionization and their activities and sympathies regarding unionization.
- (e) The Employer shall not provide support, assistance, or financial aid of any kind to any group or person for the purpose of opposing the selection of a particular union or unionization or influencing employees regarding unionization or their activities and sympathies regarding unionization; the Employer shall not provide support, assistance, or financial aid of any kind to any group or person for the purpose of training its supervisors or management employees to oppose the selection of a particular union or unionization or to influence employees regarding unionization or their activities and sympathies regarding unionization; the Employer shall not provide support, assistance, or financial aid of any kind to any group or person for the purpose of



receiving or implementing advice or strategies on how to oppose the selection of a particular union or unionization or influence employees regarding unionization or their activities and sympathies regarding unionization, Union activities, sentiments, or membership. The Employer shall not use delay tactics and shall not engage in violations of the National Labor Relations Act.

(f) The Union, during the course of organizing the Employer's employees, will communicate with employees in a non-adversarial, positive manner and will not disparage any of the Employer's management employees or agents, nor shall it seek to organize based on an anti-company campaign. The Union and its representatives will not coerce or threaten any employee of the Employer in an effort to obtain authorization cards.

(g) The Employer shall instruct its management, local and corporate, on the terms of this Agreement. The Union shall instruct its representatives on the terms of this Agreement.

### 3. Card Check

A Union shall be established using a Majority Card Check Procedure. The Union, upon receiving a majority showing of interest on the part of included employees, shall notify the Employer in writing of its desire to utilize the Procedure set forth herein.

(a) For purposes of this Procedure, a showing of interest shall be evidenced by employees signing and dating authorization cards provided by the Union for that purpose. These cards will contain a statement indicating that the employee wishes to be represented for purposes of collective bargaining by the Union, and that the signed card may be used by the Union in order for it to become the exclusive collective bargaining representative through the Employer's voluntary recognition in lieu of a NLRB certified election.

(b) The term "included employees" is defined as all non-supervisory employees of the Employer at any of its unrepresented operations.

(c) Employees eligible to sign cards are those included employees who are on the active roll and those on layoff status (whom it is reasonably contemplated will be recalled) as of the date of written notification to the Employer that the Union has obtained a majority of cards signed by such included employees.

(d) Upon receipt of the cards, the list, and the signatures, a Neutral Party will immediately conduct the card check and notify the parties in writing of the findings.

(e) After having conducted any investigation deemed necessary, and having counted the valid cards, the Neutral Party shall issue his/her decision in writing as to whether a majority of the included employees desire to be represented by the Union. Such decision shall be final and binding on the parties.

(f) The Employer agrees that when a majority of its employees in a bargaining unit as agreed-upon by the Union and Employer, or otherwise determined to be an appropriate unit, as described below, execute cards authorizing the Union to represent them as their collective

bargaining agent, the Employer shall recognize the Union as the employees' exclusive representative.

(g) In the event the Union is recognized as the bargaining representative of the Employer's employees, the parties agree to immediately enter into good-faith negotiations for the purpose of reaching a mutually acceptable collective bargaining agreement.

#### 4. Workplace Access

The Employer shall provide union representatives reasonable access to its employees on company property during nonworking time in nonworking areas to enable any union representatives to address its employees. No union representative will be permitted to go underground for purposes of organizing. The Employer shall grant the Union access to its premises to talk to employees about the Union, to hand out Union literature, and to distribute and collect authorization cards. Distribution of Union literature inside the Employer's facilities shall be limited to non-work times in non-work areas.

###

If this language is inserted into the lease, our opportunity to ensure that the mine is one that is fair to its employees is greatly increased. Without this language, we can expect more of the same kind of record Arch Coal already has and Signal Peak now practices. Please take a stand for Montana's workers.

Sincerely yours,



Robert Guilfoyle / *ENR*  
International Representative

Telephone: (406) 947-2022  
Address: 15632 Highway 87 North  
Shepherd, Montana 59079



Printed on union-made paper



# MONTANA STATE AFL-CIO

406-442-1708 • 888-338-6466  
Fax 406-449-3324

## RELATED MATERIALS ATTACHMENT 7

March 17, 2010

Montana State Board of Land Commissioners  
1625 11<sup>th</sup> Avenue  
Helena, MT 59620

Dear Commissioners;

I was proud to stand in support of developing the Otter Creek Land Tract at the February 16<sup>th</sup> meeting of the State Land Board. On behalf of the unanimous decision of the Executive Board of the Montana State AFL-CIO, I have been asked to urge the Commissioners to pursue a neutrality agreement with Arch Coal for the work performed during the construction and operation at Otter Creek.

We recognize that you are the stewards of the school lands and our state. In Montana we have many who are conservationists who are the stewards of our natural resources. Many others step up as the stewards of our cultural resources. Though we may all carry personal degrees of commitment to all of these causes, the only one who stands for the social environment are labor unions...and leaders who understand the principles of sustainable jobs. The Montana State AFL-CIO along with thousands who hold office as labor leaders are the proud stewards of sustainable, Montana jobs.

In the continued development of our great state the duty falls on our public leaders to set an acceptable standard. A neutrality agreement would simply ensure that an employer will; abide by the laws that govern labor/management relations, not violate the rights of workers should they choose to form or join a union, and take a neutral stand in the representation decisions of workers. It would assert that the company holds no union animus and the state of Montana holds labor law as significant as the importance of all other laws. It would demonstrate that Montana government is only interested in doing business with reputable companies that add value to our state and its residents.

A healthy Montana economy is reliant upon the availability of sustainable jobs. Montana workers deserve sustainable, union jobs that pay a living wage and provide health insurance and defined-benefit pension plans, as well as job security and safe working conditions.

**Jim McGarvey**  
**Executive Secretary**  
MEA-MFT 8024,  
Helena

**Jacquie Helt**  
**President**  
Service Employees International  
Union - Healthcare 775 NW,  
Missoula

**Kim Rickard**  
**Vice President**  
Laborers International Union  
of North America 1686,  
Helena

**Fran Marceau**  
**District 1**  
United Transportation Union L029,  
Kalispell

**Dan Lee**  
**District 2**  
United Steel Workers 8-0885,  
Missoula

**John Forkan**  
**District 3**  
United Association of  
Plumbers and Fitters 41,  
Butte

**Al Ekblad**  
**District 4**  
International Union of  
Operating Engineers 400,  
Great Falls

**Quint Nyman**  
**District 5**  
Laborers International Union of  
North America 1686,  
Helena

**Bob Bloom**  
**District 6**  
United Brotherhood of  
Carpenters 1172,  
Billings

**Keith Allen**  
**At-Large Board Member**  
International Brotherhood  
of Electrical Workers 233,  
Helena

**Marilyn Ryan**  
**At-Large Board Member**  
MEA-MFT 8024,  
Missoula

In 2007, an out-of-state company called TIMEC contracted work with the refineries in Billings, claiming the creation of three hundred jobs. In truth, the jobs already existed and they were sustainable, union jobs. Once TIMEC took over the contract; benefits disappeared, wages were cut dramatically, even job safety was diminished. There were local reports that the loss of sustainable jobs on this many workers had a significant cost affect throughout the community.

In 2009, the mine in Round Up operated by Signal Peak went into operation with no specific requirement for acceptable standards. As a result, wages and benefits as well as safety training are well below industry standards in Montana. The mine management has developed a reputation for mistreating workers that can be evidenced by their high turnover rate, among other indications. Even more alarming is their practice of replacing original Montana workers with workers from Wyoming.

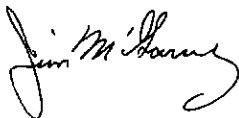
These are two examples of the way Montana leaders and representatives have allowed out of state companies to lower the standard of what is acceptable for Montana workers and the Montana economy. It is imperative that the Montana labor movement and Montana government work together to reinstitute a higher standard for workers and a greater respect for Montana communities and taxpayer dollars.

We cannot succeed in our shared interests independent of one another. Anything less than a sustainable job should be unacceptable on multi-million dollar projects. The State Land Board is in the position to set that standard at Otter Creek through a required neutrality agreement with the contracting company and any subcontractors.

Some of the elements that ensure sustainable jobs are neutrality agreements, prevailed wages, project labor agreements, best value contracting, health insurance benefits, and defined benefit pension plans. I urge the Commissioners to consider policies that make sustainable jobs inherent in all projects that fall within the reach of their authority.

I appreciate your time and attention on this critical matter.

Sincerely,



Jim McGarvey, Executive Secretary

Cc:

Montana AFL-CIO Executive Board



**RELATED MATERIALS  
ATTACHMENT 8**

**Testimony before the Montana  
Otter Creek Coal Tracts**  
by Beth Kaeding, Northern Plains Resource Council  
March 18, 2010

Y 3/18/2010

Governor Schweitzer and members of the Land Board, my name is Beth Kaeding. I am a long-time member of Northern Plains Resource Council, and I am here today – again – representing that organization.

Northern Plains is opposed to the Land Board accepting this bonus bid and granting a lease for the state's Otter Creek coal tracts to Ark Land Company.

Northern Plains – again – says that the process the Land Board has used for this issue is flawed. There has been no overarching public process that includes a discussion of the environmental, economic, and social aspects and costs associated with leasing this coal.

Developing Otter Creek coal will mean the construction of the Tongue River Railroad – and that railroad will devastate another productive rural valley. The state should play no part in any way of financing that rail line, and, as we said last month, lowering the bonus bid is essentially giving the TRR a subsidy.

Destroying two southeastern Montana prairie valleys – their productive agricultural land, aquifers, soils, air quality, cultural resources, and wildlife populations to get that coal and transport it to who knows where without fully understanding the consequences is not fulfilling your public trust responsibilities to Montana, its citizens, or its schools. You are not obligated to lease this coal simply because the state owns it. The state's budget shortfall notwithstanding, your duty as Land Board members is to make responsible, stewardship-based decisions for the long-term.

Northern Plains and its members across the state continue to implore you to not make a weak deal for Otter Creek coal. We appeal to you to reject this bid and table the Otter Creek lease for the immediate future.

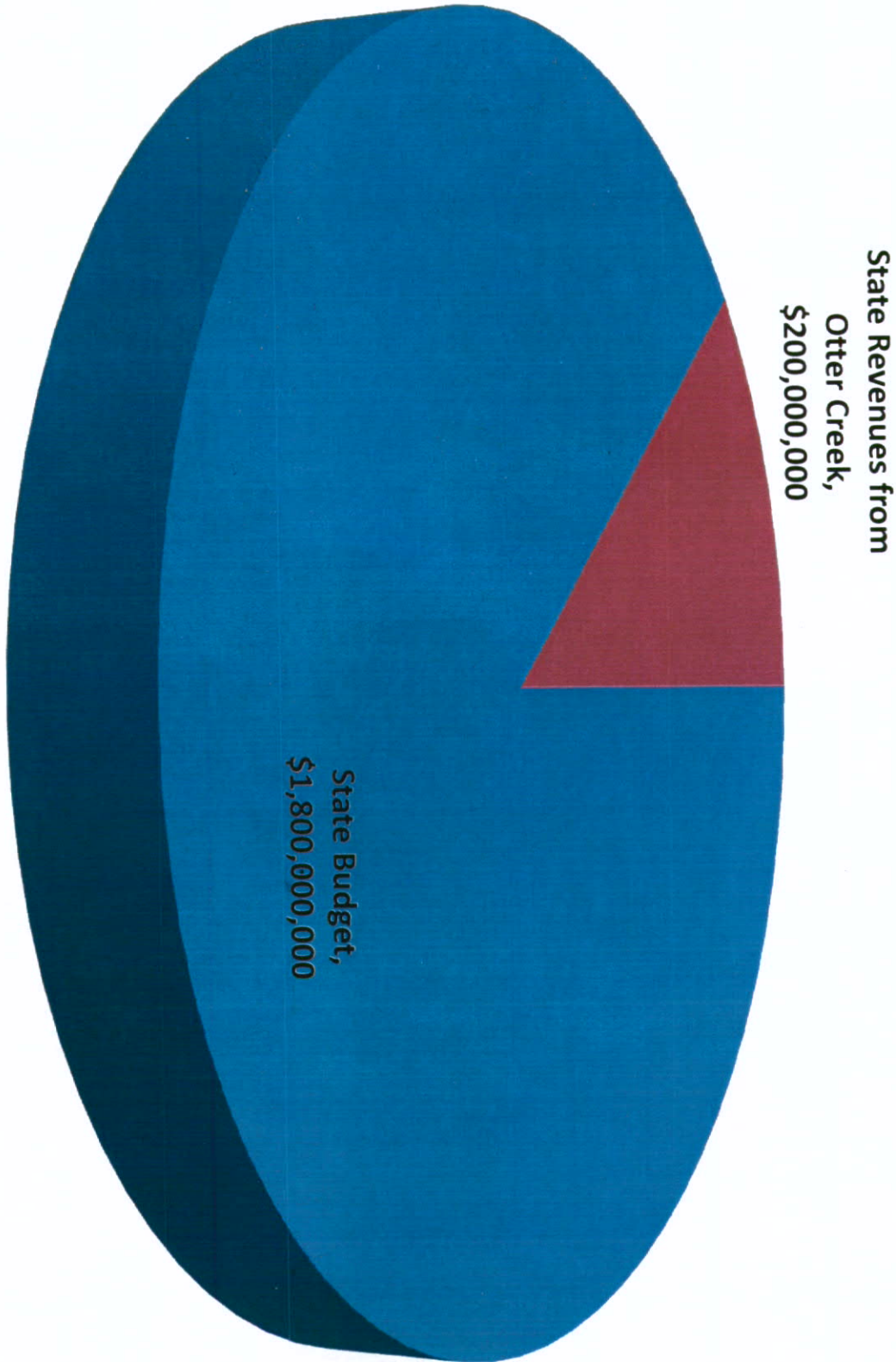
Another point I would like to make is that while Northern Plains and its members across the state have no quarrel with protecting the North Fork of the Flathead, we do find it ironic and even cynical that you – and other public officials – have fought so hard to protect this part of Montana while at the same time you are refusing to protect an equally special and unique part of the state, and, in fact, you are promoting industrial-scale development in southeastern Montana. Why should the Flathead be protected from “development of mining, oil and gas, and coal” projects when all such projects are so actively promoted in southeastern Montana? Why is southeastern Montana our state's sacrifice zone?

Southeastern Montana's Tongue and Otter creek valleys are among the last remaining, nearly intact short-grass prairie ecosystems. The abundance of native vegetation; wildlife, including endemic prairie bird species and warm-water fisheries; intact aquifers and nearly pristine surface waters are jewels that this state should strive to preserve. The cultural resources of this region are

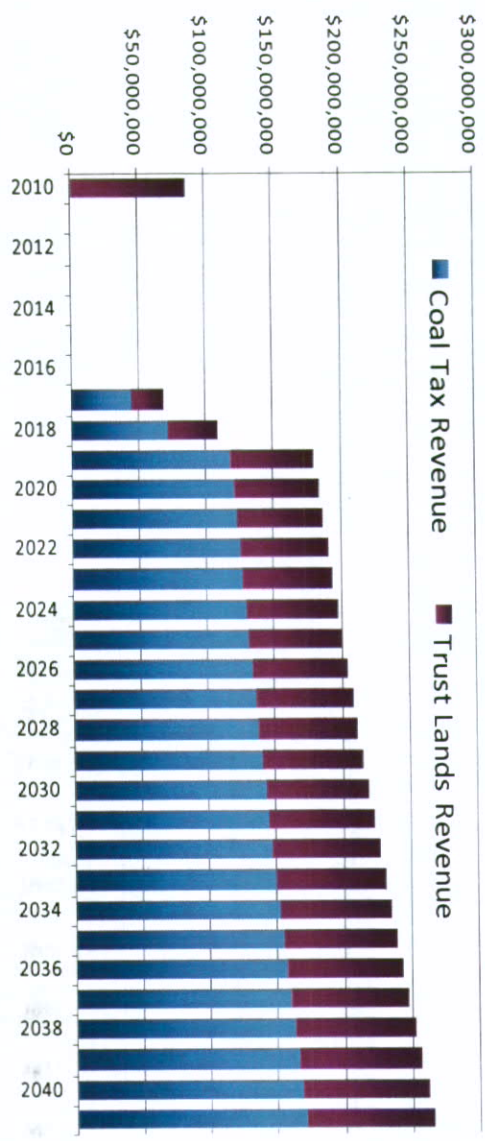
vital to many Native American tribal members. The sustainable and stable agricultural economy – the bedrock of Montana’s economy – in this area co-exists and thrives with these other natural and cultural resources.

But, the development proposed for southeastern Montana, in particular coal projects like Otter Creek as well as coal bed methane development will industrialize this area – and destroy it. The impacts this area will experience are no different than those you are trying to prevent in the North Fork of the Flathead with the resolution you will consider later today.

Frankly, Northern Plains is considering petitioning the U.S. Board of Geographic Names to rename the Tongue River as the East Fork of the Flathead River. Maybe then you would consider this area of the state special enough to protect from the ravages of “mining, oil and gas, and coal” development.



# State Revenues from Otter Creek Coal by Source (nominal U.S. dollars)



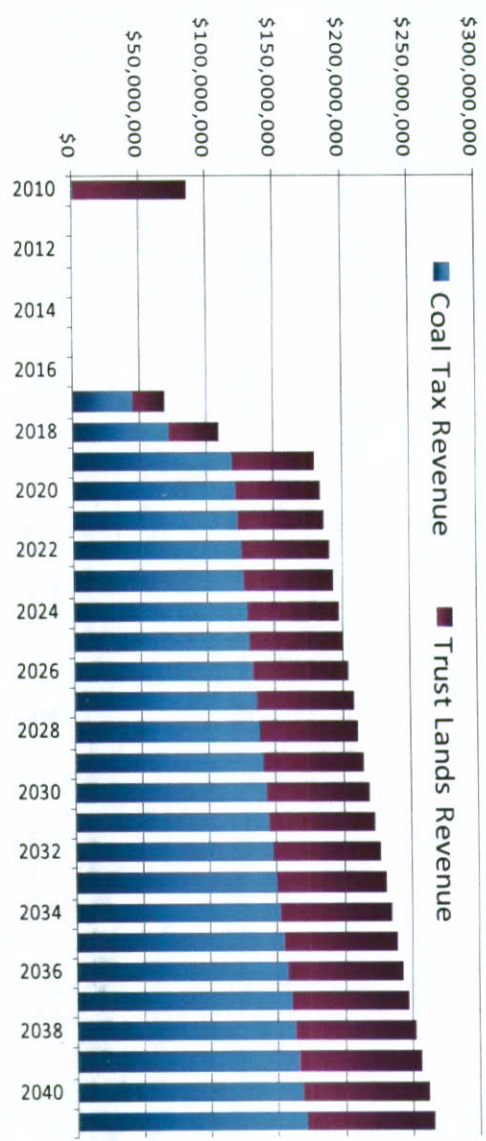
Total State Revenues over the life of the mine: \$5.34 billion

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State Revenues from Otter Creek Coal by Source (nominal U.S. dollars)



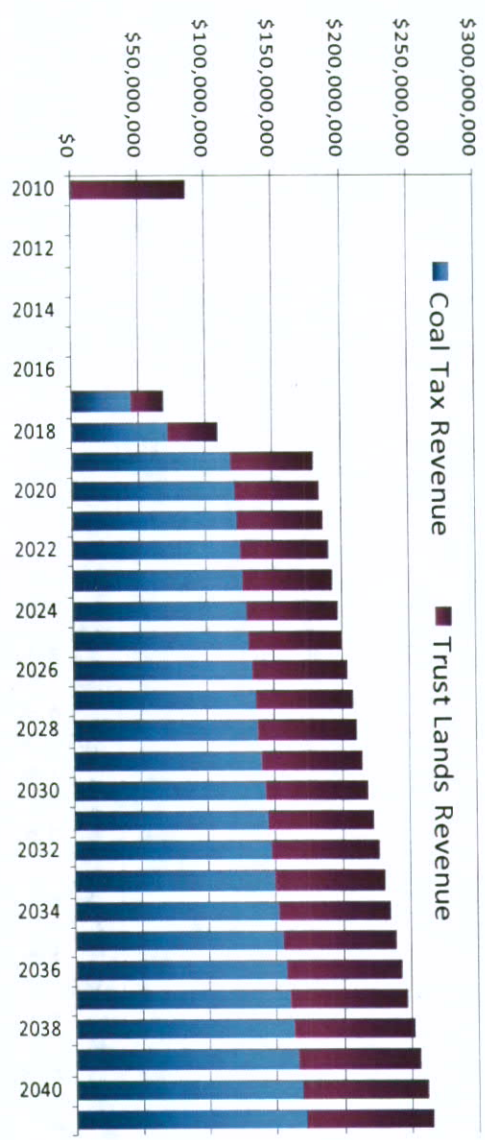
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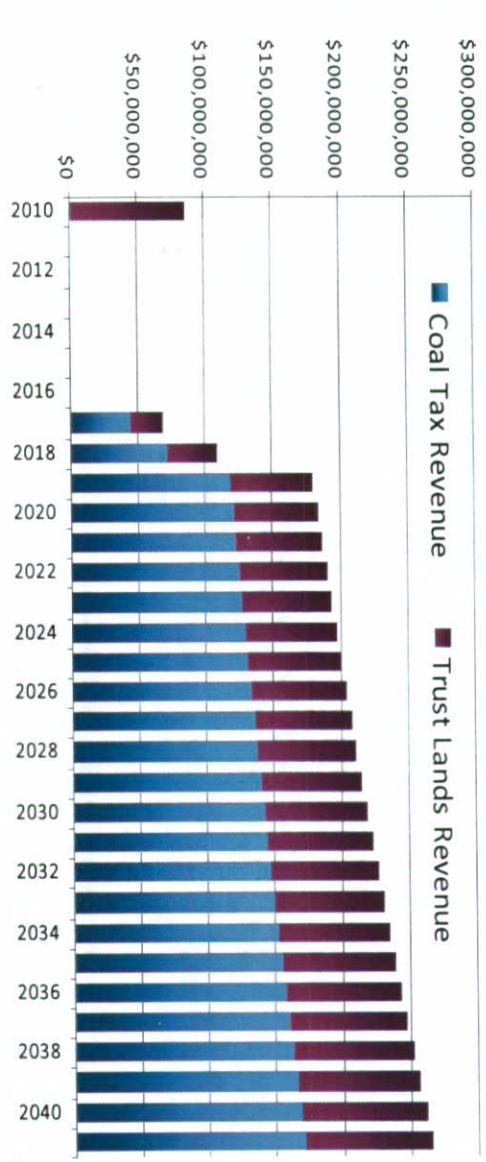
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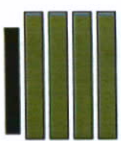
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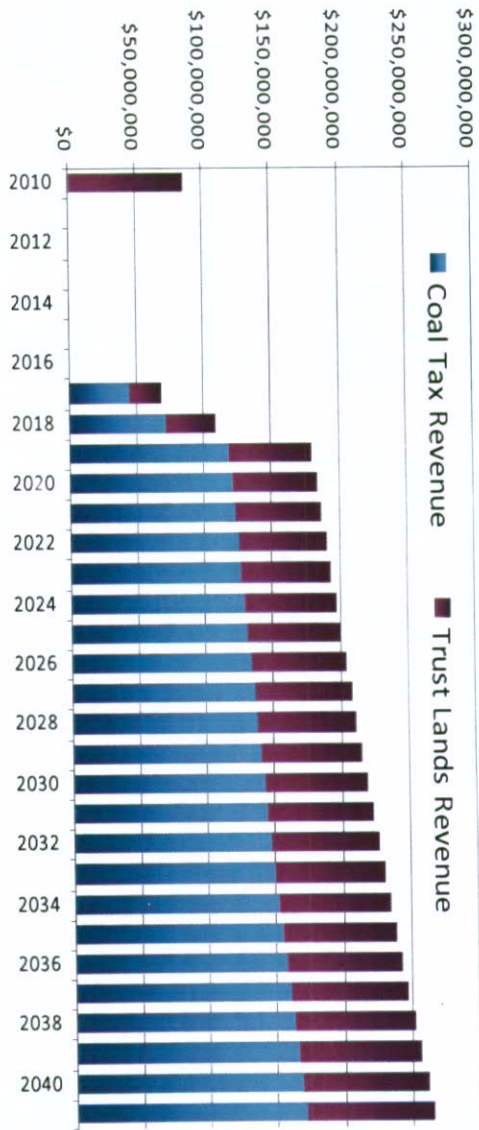
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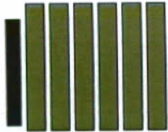
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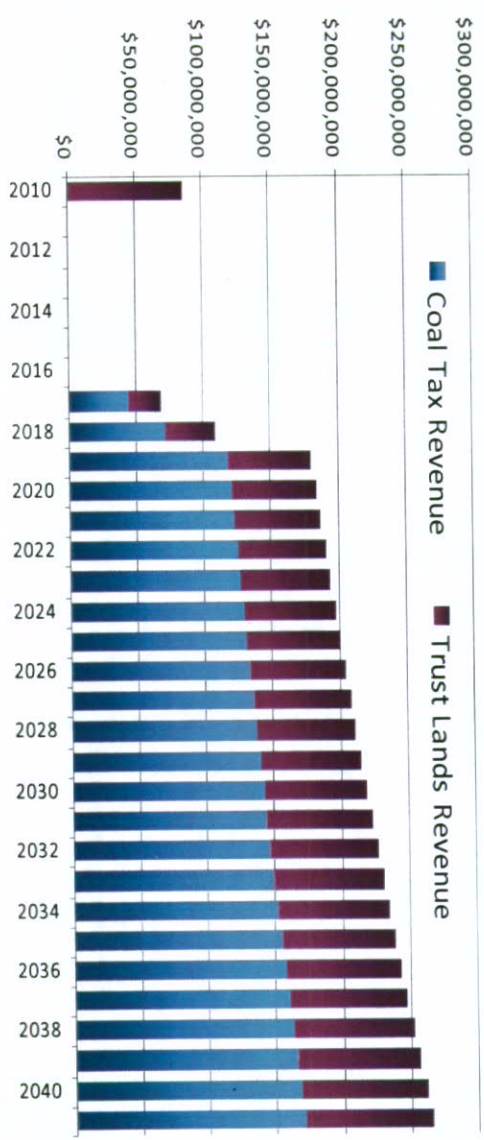
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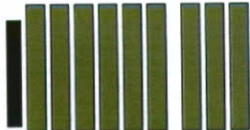
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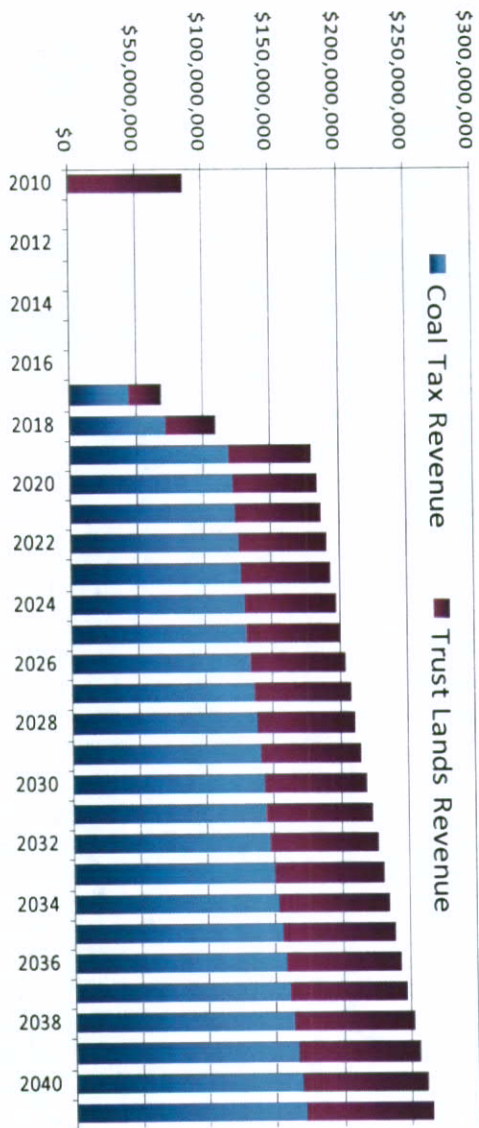
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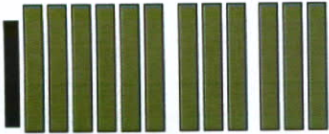
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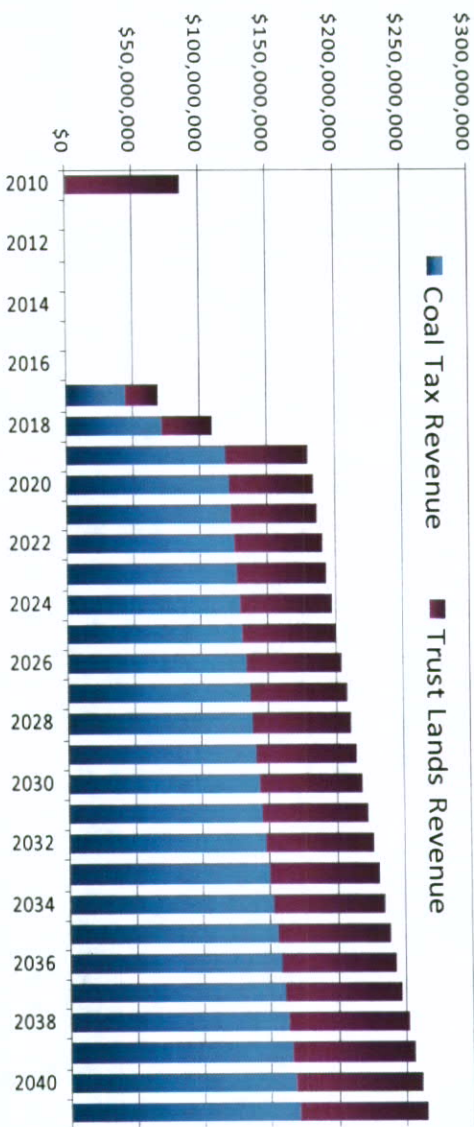
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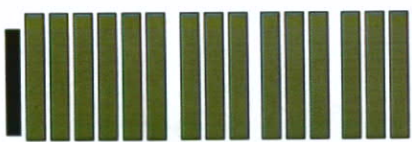
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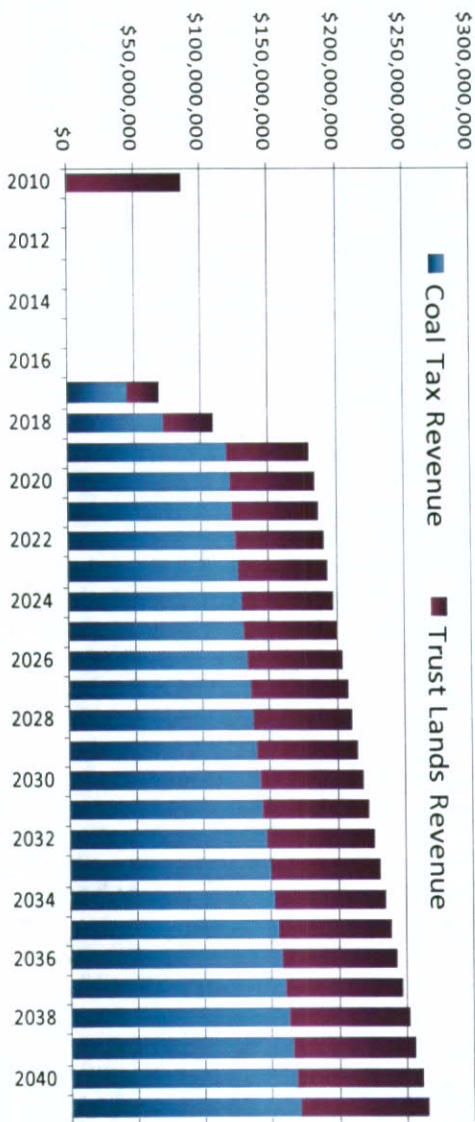
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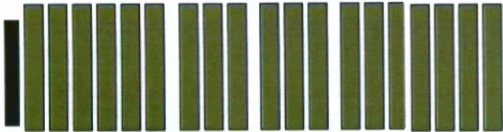
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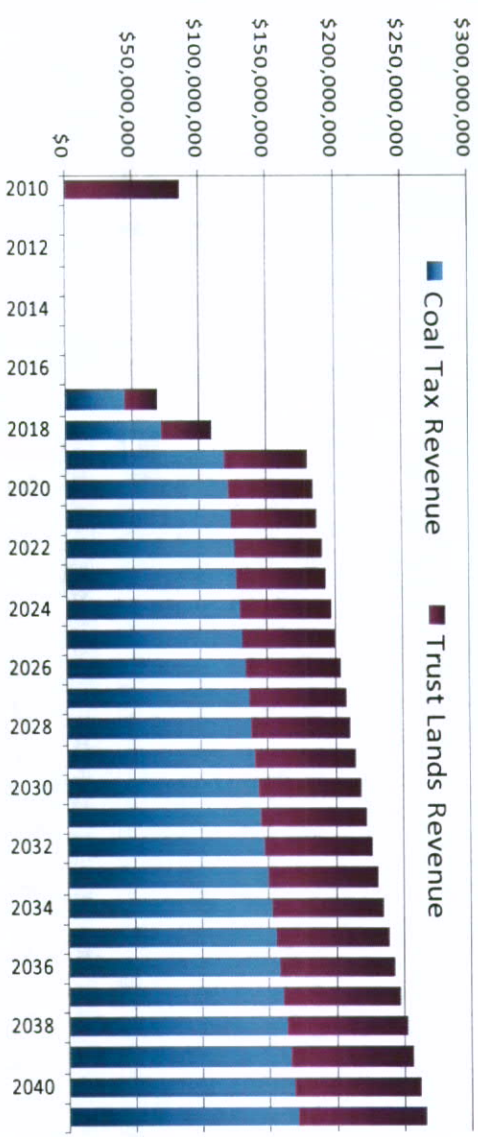
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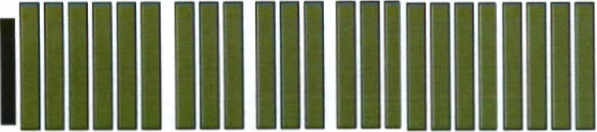
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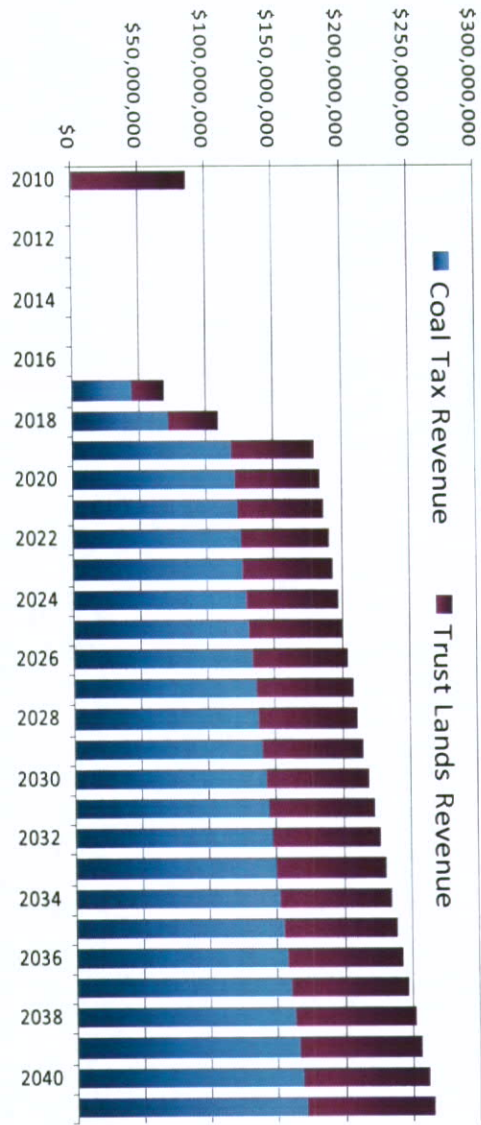
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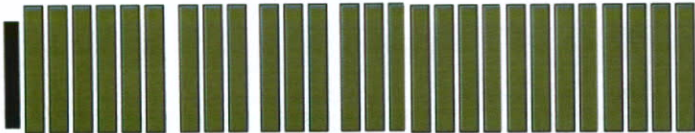
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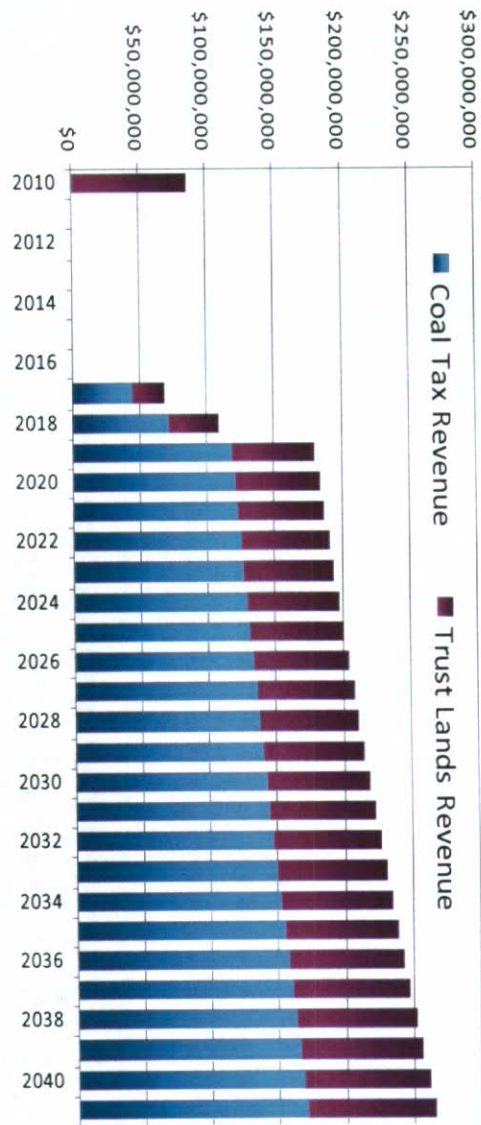
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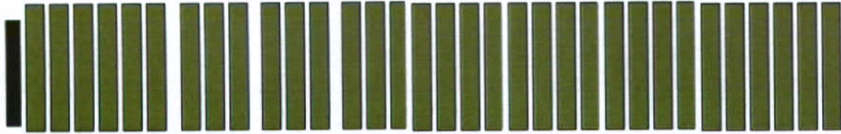
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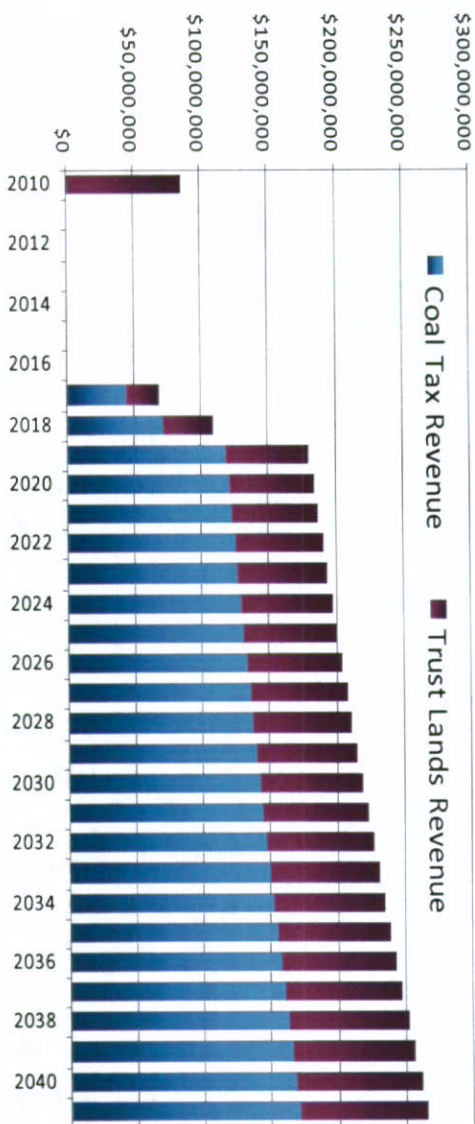
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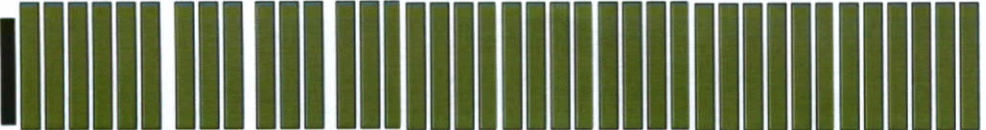
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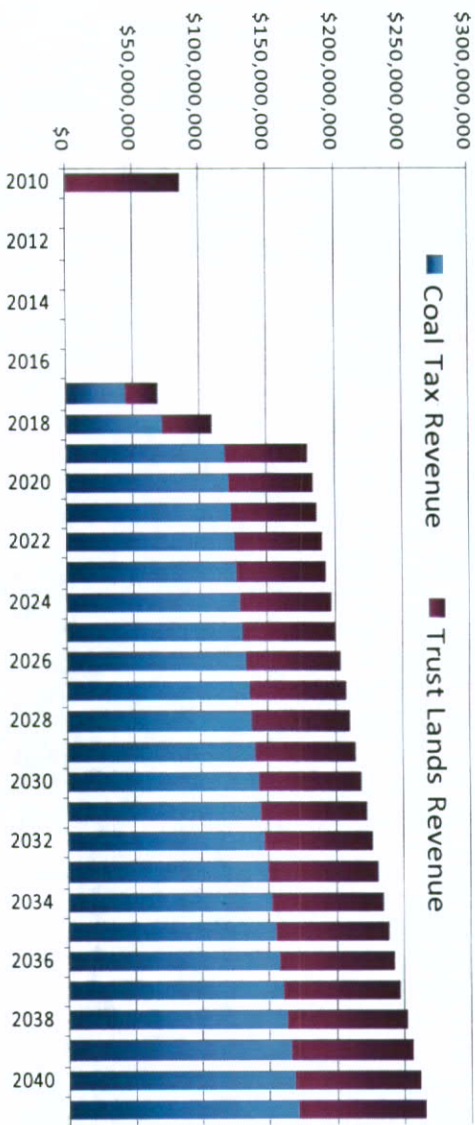
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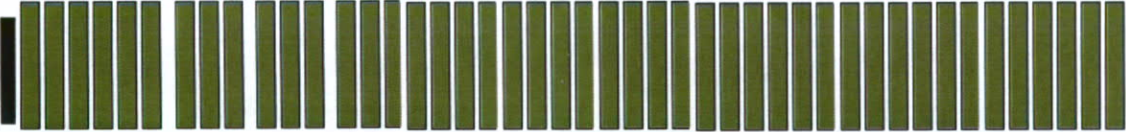
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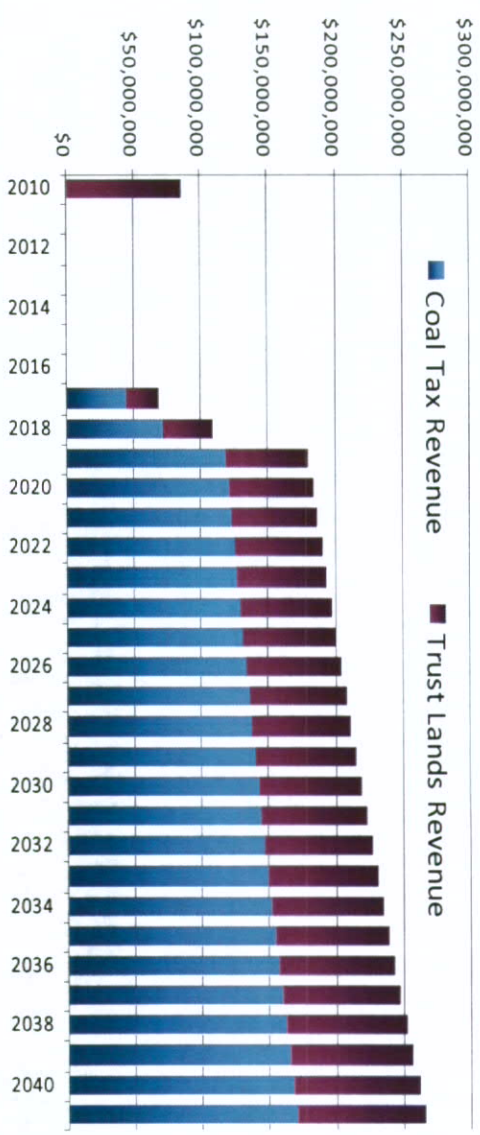
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